



Senate

General Assembly

File No. 466

February Session, 2010

Substitute Senate Bill No. 462

Senate, April 12, 2010

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 POWER PLANT SAFETY.

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

1 Section 1. (NEW) (*Effective October 1, 2010*) The Department of
2 Public Utility Control shall be responsible for the coordination of any
3 and all safety programs of the state that relate to the safe operation of
4 power plants in this state. Any state agency responsible for a program
5 that relates to the safe operation of any power plant in this state shall
6 coordinate such program with the department.

7 Sec. 2. (NEW) (*Effective October 1, 2010*) Not less than once per
8 calendar quarter, the Connecticut Siting Council and the Departments
9 of Public Safety and Emergency Management and Homeland Security
10 shall conduct a meeting to discuss and develop proposed resolutions
11 for any known or potential safety issue at any power plant in this state.
12 The council and said departments shall submit any such proposed
13 resolutions to the Governor and any member of the General Assembly
14 that represents the town in which any such power plant is located.

15 Sec. 3. Subsections (a) and (b) of section 16-50p of the general
16 statutes are repealed and the following is substituted in lieu thereof
17 (*Effective October 1, 2010*):

18 (a) (1) In a certification proceeding, the council shall render a
19 decision upon the record either granting or denying the application as
20 filed, or granting it upon such terms, conditions, limitations or
21 modifications of the construction or operation of the facility as the
22 council may deem appropriate.

23 (2) The council's decision shall be rendered in accordance with the
24 following:

25 (A) Not later than twelve months after the deadline for filing an
26 application following the request for proposal process for a facility
27 described in subdivision (1) or (2) of subsection (a) of section 16-50i or
28 subdivision (4) of said subsection (a) if the application was
29 incorporated in an application concerning a facility described in
30 subdivision (1) of said subsection (a);

31 (B) Not later than one hundred eighty days after the deadline for
32 filing an application following the request for proposal process for a
33 facility described in subdivision (4) of [said] subsection (a) of section
34 16-50i, and an application concerning a facility described in
35 subdivision (3) of said subsection (a), provided such time periods may
36 be extended by the council by not more than one hundred eighty days
37 with the consent of the applicant; and

38 (C) Not later than one hundred eighty days after the filing of an
39 application for a facility described in subdivision (5) or (6) of [said]
40 subsection (a) of section 16-50i, provided such time period may be
41 extended by the council by not more than one hundred eighty days
42 with the consent of the applicant.

43 (3) The council shall file, with its order, an opinion stating in full its
44 reasons for the decision. The council shall not grant a certificate, either
45 as proposed or as modified by the council, unless it shall find and

46 determine:

47 (A) Except as provided in subsection (c) of this section, a public
48 need for the facility and the basis of the need;

49 (B) The nature of the probable environmental impact of the facility
50 alone and cumulatively with other existing facilities, including a
51 specification of every significant adverse effect, including, but not
52 limited to, electromagnetic fields that, whether alone or cumulatively
53 with other effects, on, and conflict with the policies of the state
54 concerning, the natural environment, ecological balance, public health
55 and safety, scenic, historic and recreational values, forests and parks,
56 air and water purity and fish, aquaculture and wildlife;

57 (C) Why the adverse effects or conflicts referred to in subparagraph
58 (B) of this subdivision are not sufficient reason to deny the application;

59 (D) In the case of an electric transmission line, (i) what part, if any,
60 of the facility shall be located overhead, (ii) that the facility conforms to
61 a long-range plan for expansion of the electric power grid of the
62 electric systems serving the state and interconnected utility systems
63 and will serve the interests of electric system economy and reliability,
64 and (iii) that the overhead portions, if any, of the facility are cost
65 effective and the most appropriate alternative based on a life-cycle cost
66 analysis of the facility and underground alternatives to such facility,
67 are consistent with the purposes of this chapter, with such regulations
68 or standards as the council may adopt pursuant to section 16-50t,
69 including, but limited to, the council's best management practices for
70 electric and magnetic fields for electric transmission lines and with the
71 Federal Power Commission "Guidelines for the Protection of Natural
72 Historic Scenic and Recreational Values in the Design and Location of
73 Rights-of-Way and Transmission Facilities" or any successor guidelines
74 and any other applicable federal guidelines and are to be contained
75 within an area that provides a buffer zone that protects the public
76 health and safety, as determined by the council. In establishing such
77 buffer zone, the council shall take into consideration, among other
78 things, residential areas, private or public schools, licensed child day

79 care facilities, licensed youth camps or public playgrounds adjacent to
80 the proposed route of the overhead portions and the level of the
81 voltage of the overhead portions and any existing overhead
82 transmission lines on the proposed route. At a minimum, the existing
83 right-of-way shall serve as the buffer zone;

84 (E) In the case of an electric or fuel transmission line, that the
85 location of the line will not pose an undue hazard to persons or
86 property along the area traversed by the line;

87 (F) In the case of an application that was heard under a consolidated
88 hearing process with other applications that were common to a request
89 for proposal, that the facility proposed in the subject application
90 represents the most appropriate alternative among such applications
91 based on the findings and determinations pursuant to this subsection;
92 [and]

93 (G) In the case of a facility described in subdivision (6) of subsection
94 (a) of section 16-50i that is proposed to be installed on land under
95 agricultural restriction, as provided in section 22-26cc, that the facility
96 will not result in a material decrease of acreage and productivity of the
97 arable land; and

98 (H) In the case of any facility described in subdivision (3) of
99 subsection (a) of section 16-50i that is proposed to use natural gas, that
100 the facility will not pose an undue hazard to persons or property in the
101 vicinity of the facility.

102 (b) (1) Prior to granting an applicant's certificate for a facility
103 described in subdivision (5) or (6) of section 16-50i, the council shall
104 examine, in addition to its consideration of subdivisions (1) to (5),
105 inclusive, of subsection (a) of this section: (A) The feasibility of
106 requiring an applicant to share an existing facility, as defined in
107 subsection (b) of section 16-50aa, within a technically derived search
108 area of the site of the proposed facility, provided such shared use is
109 technically, legally, environmentally and economically feasible and
110 meets public safety concerns, (B) whether such facility, if constructed,

111 may be shared with any public or private entity which provides
112 telecommunications or community antenna television service to the
113 public, provided such shared use is technically, legally,
114 environmentally and economically feasible at fair market rates, meets
115 public safety concerns, and the parties' interests have been considered,
116 and (C) whether the proposed facility would be located in an area of
117 the state which the council, in consultation with the Department of
118 Environmental Protection and any affected municipalities, finds to be a
119 relatively undisturbed area that possesses scenic quality of local,
120 regional or state-wide significance. The council may deny an
121 application for a certificate if it determines that (i) shared use under the
122 provisions of subparagraph (A) of this subdivision is feasible, (ii) the
123 applicant would not cooperate relative to the future shared use of the
124 proposed facility, or (iii) the proposed facility would substantially
125 affect the scenic quality of its location and no public safety concerns
126 require that the proposed facility be constructed in such a location.

127 (2) When issuing a certificate for a facility described in subdivision
128 (5) or (6) of subsection (a) of section 16-50i, the council may impose
129 such reasonable conditions as it deems necessary to promote
130 immediate and future shared use of such facilities and avoid the
131 unnecessary proliferation of such facilities in the state. The council
132 shall, prior to issuing a certificate, provide notice of the proposed
133 facility to the municipality in which the facility is to be located. Upon
134 motion of the council, written request by a public or private entity
135 which provides telecommunications or community antenna television
136 service to the public or upon written request by an interested party, the
137 council may conduct a preliminary investigation to determine whether
138 the holder of a certificate for such a facility is in compliance with the
139 certificate. Following its investigation, the council may initiate a
140 certificate review proceeding, which shall include a hearing, to
141 determine whether the holder of a certificate for such a facility is in
142 compliance with the certificate. In such proceeding, the council shall
143 render a decision and may issue orders which it deems necessary to
144 compel compliance with the certificate, which orders may include, but
145 not be limited to, revocation of the certificate. Such orders may be

146 enforced in accordance with the provisions of section 16-50u.

147 (3) When determining whether to issue a certificate for a facility
148 described in subdivision (3) of subsection (a) of section 16-50i, the
149 council may divide such certification process decision into two phases.
150 The first phase shall consist of a decision concerning the construction
151 of such facility and the second phase shall consist of a decision
152 concerning the operation of such facility. The council shall not issue a
153 certificate for the operation of any such facility at the conclusion of
154 such second phase unless the applicant demonstrates that such
155 facility's safety features will operate as designed and intended.

156 Sec. 4. (NEW) (*Effective October 1, 2010*) (a) The unit of the
157 Department of Public Utility Control responsible for gas pipeline
158 safety shall have the authority to ensure the safe use of natural gas at
159 any power plant that utilizes natural gas in this state.

160 (b) No person who constructs or operates a power plant that uses
161 natural gas in this state shall use natural gas to clean or blow the
162 natural gas lines related to such plant.

163 (c) On and after October 1, 2010, any person that constructs or
164 continues to construct a power plant in this state that uses natural gas
165 shall provide said unit of the Department of Public Utility Control
166 with any access to such power plant and any information, including,
167 but not limited to, notices and communications that said unit requires
168 in the exercise of the authority described in subsection (a) of this
169 section.

170 (d) The department shall adopt regulations in accordance with the
171 provisions of chapter 54 of the general statutes for safe construction
172 and operation of in-state power plants that use natural gas. Such
173 regulations shall, at a minimum, incorporate by reference all current
174 guidelines, safety bulletins and urgent recommendations issued by the
175 United States Chemical Safety Board.

176 Sec. 5. Subsections (a) and (b) of section 16-50l of the general statutes

177 are repealed and the following is substituted in lieu thereof (*Effective*
178 *October 1, 2010*):

179 (a) (1) To initiate a certification proceeding, an applicant for a
180 certificate shall file with the council an application, in such form as the
181 council may prescribe, accompanied by a filing fee of not more than
182 twenty-five thousand dollars, which fee shall be established in
183 accordance with section 16-50t, and a municipal participation fee of
184 twenty-five thousand dollars to be deposited in the account
185 established pursuant to section 16-50bb, except that an application for
186 a facility described in subdivision (5) or (6) of subsection (a) of section
187 16-50i shall not pay such municipal participation fee. An application
188 shall contain such information as the applicant may consider relevant
189 and the council or any department or agency of the state exercising
190 environmental controls may by regulation require, including the
191 following information:

192 (A) In the case of facilities described in subdivisions (1), (2) and (4)
193 of subsection (a) of section 16-50i: (i) A description, including
194 estimated costs, of the proposed transmission line, substation or
195 switchyard, covering, where applicable underground cable sizes and
196 specifications, overhead tower design and appearance and heights, if
197 any, conductor sizes, and initial and ultimate voltages and capacities;
198 (ii) a statement and full explanation of why the proposed transmission
199 line, substation or switchyard is necessary and how the facility
200 conforms to a long-range plan for expansion of the electric power grid
201 serving the state and interconnected utility systems, that will serve the
202 public need for adequate, reliable and economic service; (iii) a map of
203 suitable scale of the proposed routing or site, showing details of the
204 rights-of-way or site in the vicinity of settled areas, parks, recreational
205 areas and scenic areas, residential areas, private or public schools,
206 licensed child day care facilities, licensed youth camps, and public
207 playgrounds and showing existing transmission lines within one mile
208 of the proposed route or site; (iv) justification for adoption of the route
209 or site selected, including comparison with alternative routes or sites
210 which are environmentally, technically and economically practical; (v)

211 a description of the effect of the proposed transmission line, substation
212 or switchyard on the environment, ecology, and scenic, historic and
213 recreational values; (vi) a justification for overhead portions, if any,
214 including life-cycle cost studies comparing overhead alternatives with
215 underground alternatives, and effects described in clause (v) of this
216 subparagraph of undergrounding; (vii) a schedule of dates showing
217 the proposed program of right-of-way or property acquisition,
218 construction, completion and operation; (viii) identification of each
219 federal, state, regional, district and municipal agency with which
220 proposed route or site reviews have been undertaken, including a copy
221 of each written agency position on such route or site; and (ix) an
222 assessment of the impact of any electromagnetic fields to be produced
223 by the proposed transmission line; and

224 (B) In the case of facilities described in subdivision (3) of subsection
225 (a) of section 16-50i: (i) A description of the proposed electric
226 generating or storage facility; (ii) a statement and full explanation of
227 why the proposed facility is necessary; (iii) a statement of loads and
228 resources as described in section 16-50r; (iv) safety and reliability
229 information, including planned provisions for emergency operations
230 and shutdowns and any information that the unit of the Department of
231 Public Utility Control responsible for gas pipeline safety determines is
232 necessary to evaluate the safety of any such facility that will use
233 natural gas; (v) estimated cost information, including plant costs, fuel
234 costs, plant service life and capacity factor, and total generating cost
235 per kilowatt-hour, both at the plant and related transmission, and
236 comparative costs of alternatives considered; (vi) a schedule showing
237 the program for design, material acquisition, construction and testing,
238 and operating dates; (vii) available site information, including maps
239 and description and present and proposed development, and
240 geological, scenic, ecological, seismic, biological, water supply,
241 population and load center data; (viii) justification for adoption of the
242 site selected, including comparison with alternative sites; (ix) design
243 information, including a description of facilities, plant efficiencies,
244 electrical connections to the system, and control systems; (x) a
245 description of provisions, including devices and operations, for

246 mitigation of the effect of the operation of the facility on air and water
247 quality, for waste disposal, and for noise abatement, and information
248 on other environmental aspects; and (xi) a listing of federal, state,
249 regional, district and municipal agencies from which approvals either
250 have been obtained or will be sought covering the proposed facility,
251 copies of approvals received and the planned schedule for obtaining
252 those approvals not yet received.

253 (2) On or after December 1, 2004, the filing of an application
254 pursuant to subdivision (1) of this subsection shall initiate the request
255 for proposal process, except for an application for a facility described
256 in subdivision (4), (5) or (6) of subsection (a) of section 16-50i and
257 except for a facility exempt from such requirement pursuant to
258 subsection (b) of section 16a-7c.

259 (3) Notwithstanding the provisions of this subsection, an entity that
260 has submitted a proposal pursuant to the request for proposal process
261 may initiate a certification proceeding by filing with the council an
262 application containing the information required pursuant to this
263 section, accompanied by a filing fee of not more than twenty-five
264 thousand dollars, which fee shall be established in accordance with
265 section 16-50t, and a municipal participation fee of twenty-five
266 thousand dollars to be deposited in the account established pursuant
267 to section 16-50bb, not later than thirty days after the Connecticut
268 Energy Advisory Board performs the evaluation process pursuant to
269 subsection (f) of section 16a-7c.

270 (b) Each application shall be accompanied by proof of service of a
271 copy of such application on: (1) Each municipality in which any
272 portion of such facility is to be located, both as primarily proposed and
273 in the alternative locations listed, and any adjoining municipality
274 having a boundary not more than two thousand five hundred feet
275 from such facility, which copy shall be served on the chief executive
276 officer of each such municipality and shall include notice of the date on
277 or about which the application is to be filed, and the zoning
278 commissions, planning commissions, planning and zoning

279 commissions, conservation commissions and inland wetlands agencies
280 of each such municipality, and the regional planning agencies which
281 encompass each such municipality; (2) the Attorney General; (3) each
282 member of the legislature in whose assembly or senate district the
283 facility or any alternative location listed in the application is to be
284 located; (4) any agency, department or instrumentality of the federal
285 government that has jurisdiction, whether concurrent with the state or
286 otherwise, over any matter that would be affected by such facility; (5)
287 each state department, agency and commission named in subsection
288 (h) of section 16-50j; [and] (6) such other state and municipal bodies as
289 the council may by regulation designate; and (7) the Departments of
290 Public Safety and Emergency Management and Homeland Security for
291 any application that proposes the construction of an electric generating
292 or storage facility that uses natural gas. A notice of such application
293 shall be given to the general public, in municipalities entitled to receive
294 notice under subdivision (1) of this subsection, by the publication of a
295 summary of such application and the date on or about which it will be
296 filed. Such notice shall be published under the regulations to be
297 promulgated by the council, in such form and in such newspapers as
298 will serve substantially to inform the public of such application and to
299 afford interested persons sufficient time to prepare for and to be heard
300 at the hearing prescribed in section 16-50m. Such notice shall be
301 published in not less than ten-point type. A notice of such an
302 application for a certificate for a facility described in subdivision (3),
303 (4), (5) or (6) of subsection (a) of section 16-50i shall also be sent, by
304 certified or registered mail, to each person appearing of record as an
305 owner of property which abuts the proposed primary or alternative
306 sites on which the facility would be located. Such notice shall be sent at
307 the same time that notice of such application is given to the general
308 public. Notice of an application for a certificate for a facility described
309 in subdivision (1) of subsection (a) of section 16-50i shall also be
310 provided to each electric company or electric distribution company
311 customer in the municipality where the facility is proposed to be
312 placed. Such notice shall (A) be provided on a separate enclosure with
313 each customer's monthly bill for one or more months, (B) be provided

314 by the electric company or electric distribution company not earlier
315 than sixty days prior to filing the application with the council, but not
316 later than the date that the application is filed with the council, and (C)
317 include: A brief description of the project, including its location
318 relative to the affected municipality and adjacent streets; a brief
319 technical description of the project including its proposed length,
320 voltage, and type and range of heights of support structures or
321 underground configuration; the reason for the project; the address and
322 a toll-free telephone number of the applicant by which additional
323 information about the project can be obtained; and a statement in print
324 no smaller than twenty-four-point type size stating "NOTICE OF
325 PROPOSED CONSTRUCTION OF A HIGH VOLTAGE ELECTRIC
326 TRANSMISSION LINE".

327 Sec. 6. (NEW) (*Effective October 1, 2010*) The Connecticut Siting
328 Council shall initiate a proceeding concerning the expansion of safety
329 related information that an applicant for an electric generating or
330 storage facility that uses natural gas shall submit as part of any
331 application submitted pursuant to section 16-50l of the general
332 statutes, as amended by this act. The Departments of Public Safety and
333 Emergency Management and Homeland Security shall be parties to
334 any such proceeding in addition to any other state or local public
335 safety or emergency response agency or department that requests
336 participation in such proceeding.

337 Sec. 7. Section 29-282 of the general statutes is repealed and the
338 following is substituted in lieu thereof (*Effective October 1, 2010*):

339 This part shall not apply to structures, other than buildings and any
340 facility described in subdivision (3) of subsection (a) of section 16-50i
341 that uses natural gas, of public service companies subject to regulation
342 by the Department of Public Utility Control.

343 Sec. 8. Section 16a-3b of the general statutes is repealed and the
344 following is substituted in lieu thereof (*Effective October 1, 2010*):

345 (a) The Department of Public Utility Control shall oversee the

346 implementation of the procurement plan approved by the Department
347 of Public Utility Control pursuant to section 16a-3a. The electric
348 distribution companies shall implement the demand-side measures,
349 including, but not limited to, energy efficiency, load management,
350 demand response, combined heat and power facilities, distributed
351 generation and other emerging energy technologies, specified in said
352 procurement plan through the comprehensive conservation and load
353 management plan prepared pursuant to section 16-245m for review by
354 the Energy Conservation Management Board. The electric distribution
355 companies shall submit proposals to appropriate regulatory agencies
356 to address transmission and distribution upgrades as specified in said
357 procurement plan.

358 (b) If the procurement plan specifies the construction of a generating
359 facility, the department shall develop and issue a request for
360 proposals, shall publish such request for proposals in one or more
361 newspapers or periodicals, as selected by the department, and shall
362 post such request for proposals on its web site. Pursuant to a
363 nondisclosure agreement, the department shall make available to the
364 Office of Consumer Counsel and the Attorney General all confidential
365 bid information it receives pursuant to this subsection, provided the
366 bids and any analysis of such bids shall not be subject to disclosure
367 under the Freedom of Information Act. Three months after the
368 department issues a final decision, it shall make available all financial
369 bid information, provided such information regarding the bidders not
370 selected be presented in a manner that conceals the identities of such
371 bidders.

372 (1) On and after July 1, 2008, an electric distribution company may
373 submit proposals in response to a request for proposals on the same
374 basis as other respondents to the solicitation. A proposal submitted by
375 an electric distribution company shall include its full projected costs
376 such that any project costs recovered from or defrayed by ratepayers
377 are included in the projected costs. An electric distribution company
378 submitting any such bid shall demonstrate to the satisfaction of the
379 department that its bid is not supported in any form of cross

380 subsidization by affiliated entities. If the department approves such
381 electric distribution company's proposal, the costs and revenues of
382 such proposal shall not be included in calculating such company's
383 earning for purposes of, or in determining whether its rates are just
384 and reasonable under, sections 16-19, 16-19a and 16-19e. An electric
385 distribution company shall not recover more than the full costs
386 identified in any approved proposal. Affiliates of the electric
387 distribution company may submit proposals pursuant to section 16-
388 244h, regulations adopted pursuant to section 16-244h and other
389 requirements the department may impose.

390 (2) If the department selects a nonelectric distribution company
391 proposal, an electric distribution company shall, within thirty days of
392 the selection of a proposal by the department, negotiate in good faith
393 the final terms of a contract with a generating facility and shall apply
394 to the department for approval of such contract. Upon department
395 approval, the electric distribution company shall enter into such
396 contract.

397 (3) The department shall determine the appropriate manner of cost
398 recovery for proposals selected pursuant to this section.

399 (4) The department may retain the services of a third-party entity
400 with expertise in the area of energy procurement to oversee the
401 development of the request for proposals and to assist the department
402 in its approval of proposals pursuant to this section. The reasonable
403 and proper expenses for retaining such third-party entity shall be
404 recoverable through the generation services charge.

405 (c) The electric distribution companies shall issue requests for
406 proposals to acquire any other resource needs not identified in
407 subsection (a) or (b) of this section but specified in the procurement
408 plan approved by the Department of Public Utility Control pursuant to
409 section 16a-3a. Such requests for proposals shall be subject to approval
410 by the department.

411 (d) No contract entered pursuant to this section for the construction

412 of a generating facility shall contain any incentive for the completion of
413 such construction prior to the agreed upon or estimated date of
414 completion for such facility, as contained in such contract.

415 (e) Any electric distribution company that entered a contract for the
416 construction of a generating facility prior to October 1, 2010, shall
417 review such contract and determine whether such contract contains
418 any incentive, as described in subsection (d) of this section. If such
419 contract contains any such incentive, such electric distribution
420 company shall renegotiate the terms of such contract to eliminate any
421 such incentive.

422 (f) No electric distribution company or nonelectric distribution
423 company that has a contract in effect as of October 1, 2010, that
424 contains an incentive described in subsection (d) of this section shall be
425 eligible to submit a proposal pursuant to this section.

426 Sec. 9. Subdivision (3) of subsection (c) of section 16-50p of the
427 general statutes is repealed and the following is substituted in lieu
428 thereof (*Effective from passage*):

429 (3) For purposes of [subparagraph (A) of this subdivision] this
430 section, a public benefit exists if such a facility is necessary for the
431 reliability of the electric power supply of the state or for the
432 development of a competitive market for electricity while maintaining
433 the diversity of the state's power supply and a public need exists if
434 such facility is necessary for the reliability of the electric power supply
435 of the state.

436 Sec. 10. Subdivision (5) of section 20-330 of the 2010 supplement to
437 the general statutes is repealed and the following is substituted in lieu
438 thereof (*Effective October 1, 2010*):

439 (5) "Heating, piping and cooling work" means (A) the installation,
440 repair, replacement, maintenance or alteration of any apparatus for
441 piping, appliances, devices or accessories for heating systems,
442 including sheet metal work, (B) the installation, repair, replacement,

443 maintenance or alteration of air conditioning and refrigeration
 444 systems, boilers, including apparatus and piping for the generation or
 445 conveyance of steam and associated pumping equipment and process
 446 piping and the installation of tubing and piping mains and branch
 447 lines up to and including the closest valve to a machine or equipment
 448 used in the manufacturing process, but excluding millwright work,
 449 [and] (C) on-site operation, by manipulating, adjusting or controlling,
 450 with sufficient technical knowledge, as determined by the
 451 commissioner, (i) heating systems with a steam or water boiler
 452 maximum operating pressure of fifteen pounds per square inch gauge
 453 or greater, or (ii) air conditioning or refrigeration systems with an
 454 aggregate of more than fifty horsepower or kilowatt equivalency of
 455 fifty horsepower or of two hundred pounds of refrigerant, and (D)
 456 operation of a power generation plant, as defined in section 11 of this
 457 act. Heating, piping and cooling work does not include solar thermal
 458 work performed pursuant to a certificate held as provided in section
 459 20-334g, or medical gas and vacuum systems work or the passive
 460 monitoring of heating, air conditioning or refrigeration systems. For
 461 the purposes of this subdivision, "process piping" means piping or
 462 tubing that conveys liquid or gas that is used directly in the production
 463 of a chemical or a product for human consumption;

464 Sec. 11. (NEW) (*Effective October 1, 2010*) A power generation plant
 465 shall be operated only by the holder of a license issued by the
 466 Commissioner of Consumer Protection. The commissioner shall issue
 467 such license after an exam to demonstrate sufficient technical
 468 knowledge demonstrated by exam. For the purposes of this section,
 469 "power generation plant" means a facility designed to produce electric
 470 energy from another form of energy, including, but not limited to,
 471 thermal energy generated from fossil fuels, coal, petroleum and
 472 natural gas.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2010</i>	New section

Sec. 2	<i>October 1, 2010</i>	New section
Sec. 3	<i>October 1, 2010</i>	16-50p(a) and (b)
Sec. 4	<i>October 1, 2010</i>	New section
Sec. 5	<i>October 1, 2010</i>	16-50l(a) and (b)
Sec. 6	<i>October 1, 2010</i>	New section
Sec. 7	<i>October 1, 2010</i>	29-282
Sec. 8	<i>October 1, 2010</i>	16a-3b
Sec. 9	<i>from passage</i>	16-50p(c)(3)
Sec. 10	<i>October 1, 2010</i>	20-330(5)
Sec. 11	<i>October 1, 2010</i>	New section

Statement of Legislative Commissioners:

In section 9, "and the council has considered the diversity" was changed to "while maintaining the diversity" for internal consistency, in section 10 "and power generation" was removed from "Heating, piping and cooling work" for statutory consistency, and in section 11, "an individual who holds a license" was changed to "the holder of a license" for accuracy.

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

The bill enhances the oversight authority of the Department of Public Utility Control, making it responsible for coordinating state safety programs that relate to the safe operation of power plants. There is no related cost.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sSB 462*****AN ACT CONCERNING POWER PLANT SAFETY.*****SUMMARY:**

This bill makes the Department of Public Utility Control (DPUC) responsible for coordinating state safety programs that relate to the safe operation of power plants in Connecticut. It requires any state agency responsible for a program that relates to the safe operation of a power plant in the state to coordinate its programs with DPUC.

The bill authorizes DPUC's gas pipeline safety unit to ensure that natural gas is used safely at any power plant in the state that uses this fuel and gives DPUC several powers and responsibilities regarding these plants.

By law, a Siting Council certificate is required to build a variety of energy and telecommunications facilities, including power plants. The bill (1) expands the state agencies that can participate in the certificate proceedings; (2) allows the council to split a proceeding for a power plant into two parts, separately addressing plant construction and operation; and (3) bars the council from approving a gas-fired power plant unless it finds that it will not jeopardize nearby residents and property.

The bill subjects gas-fired power plants owned by utility companies to the state building code. None of the existing plants, or those currently under construction, are owned by utilities.

The bill restricts the inclusion of provisions encouraging early competition of power plants in certain contracts.

EFFECTIVE DATE: October 1, 2010 except for the provision

requiring the Siting Council to consider fuel diversity in issuing power plant certificates, which is effective upon passage.

DEPARTMENT OF PUBLIC UTILITY CONTROL

Starting October 1, 2010, the bill requires any person that constructs or continues to construct a gas-fired power plant in the state to provide DPUC's gas pipeline safety unit with any access to the power plant and any information, including notices and communications, that the unit requires in the exercise of its authority. It prohibits anyone who constructs or operates such a plant from using natural gas to "blow" the natural gas lines to the plant (i.e., remove debris from the line).

The bill requires DPUC to adopt regulations for the safe construction and operation of gas-fired power plants in the state. The regulations must, at a minimum, incorporate by reference all current guidelines, safety bulletins, and urgent notices issued by the U.S. Chemical Safety Board.

SITING PROVISIONS

By law, the Siting Council must notify a wide range of entities when it receives an application for a certificate. The bill additionally requires the council to notify the departments of Public Safety (DPS) and Emergency Management and Homeland Security (DEMHS). By law, entities that are entitled to this notice are also entitled to participate in the certificate as a party.

The bill requires that applications for gas-fired power plants to include any information DPUC's gas pipeline safety unit determines is needed to evaluate their safety.

When determining whether to issue a certificate for a power plant, the bill allows the Siting Council to divide the process decision into two phases. In the first phase, the council would issue a decision concerning the facility's construction. In the second phase, it would issue a decision concerning its operation. The bill bars the council from issuing a certificate for the operation of a power plant at the end of the second phase unless the applicant demonstrates that the plant's safety

features will operate as designed and intended.

By law, the Siting Council must determine whether a power plant creates a public benefit in deciding whether to grant it a certificate. The bill requires the council to consider the diversity of the state's power supply in making this determination.

EARLY COMPLETION INCENTIVES

The law requires DPUC to oversee the implementation of electric companies' plans to procure resources to meet their customers' needs. If a plan calls for the construction of new power plants, DPUC must issue a request for proposals. These can include proposals by (1) the electric companies to build plants or (2) other entities to build plants and enter into long-term power sales contracts with the electric companies.

The bill bars any contract entered into under these provisions for the construction of a power plant from containing any incentive for completing a plant's construction before the agreed upon or estimated date of completion contained in the contract. It requires any electric company that entered a contract for the construction of a power plant before October 1, 2010 to (1) review the contract and determine whether the contract contains such incentives and (2) renegotiate the terms of such contracts to eliminate them.

The bill also makes an electric company or other entity that has a contract in effect as of October 1, 2010 that contains such an incentive ineligible to submit a proposal under the provisions of the current law.

RELATED PROVISIONS

The bill requires the Siting Council, DPS, and DEMHS to meet at least once per calendar quarter to discuss and develop proposed resolutions for any known or potential safety issue at any power plant in Connecticut. The council and the departments must submit any such proposed resolutions to the governor and legislators who represents a town where a power plant is located.

The bill requires the siting council to conduct a proceeding concerning the expansion of safety-related information that an applicant for a power plant or electric storage facility that uses natural gas must submit as part of a certificate application. It makes DPS and DEMHS parties to this proceeding in addition to any other state or local public safety or emergency response agency or department that requests to participate.

BACKGROUND

Related Bill

sHB 5213, favorably reported by the Energy and Technology Committee, modifies Siting Council proceedings for certain power plants and telecommunications facilities.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 21 Nay 0 (03/24/2010)