



General Assembly

**Substitute Bill No. 182**

February Session, 2010

\* \_\_\_\_\_SB00182ET\_\_\_\_\_031910\_\_\_\_\_\*

**AN ACT CONCERNING REVISIONS TO THE UTILITY STATUTES.**

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

1 Section 1. Section 16-18a of the general statutes is amended by  
2 adding subsection (d) as follows (*Effective from passage*):

3 (NEW) (d) For any proceeding before the Federal Energy  
4 Regulatory Commission, the United States Department of Energy, the  
5 United States Nuclear Regulatory Commission, the United States  
6 Securities and Exchange Commission, the Federal Trade Commission,  
7 the United States Department of Justice or the Federal  
8 Communications Commission, the department may retain consultants  
9 to assist its staff in such proceedings by providing expertise in areas in  
10 which staff expertise does not currently exist or to supplement staff  
11 expertise. All reasonable and proper expenses of such expert  
12 consultants shall be borne by the public service companies, certified  
13 telecommunications providers, electric suppliers or gas registrants  
14 affected by the decisions of such proceeding and shall be paid at such  
15 times and in such manner as the department directs, provided such  
16 expenses (1) shall be apportioned in proportion to the revenues of each  
17 affected entity as reported to the department pursuant to section 16-49  
18 for the most recent period, and (2) shall not exceed two hundred fifty  
19 thousand dollars per proceeding, including any appeals thereof, in any  
20 calendar year unless the department finds good cause for exceeding

21 the limit. The department shall recognize all such expenses as proper  
22 business expenses of the affected entities for ratemaking purposes  
23 pursuant to section 16-19e, if applicable.

24 Sec. 2. Subsection (c) of section 16-262j of the general statutes is  
25 repealed and the following is substituted in lieu thereof (*Effective from*  
26 *passage*):

27 (c) Each public service company, certified telecommunications  
28 provider and electric supplier shall pay interest on any security  
29 deposit it receives from a customer at the average rate paid, as of  
30 December 30, 1992, on savings deposits by insured commercial banks  
31 as published in the Federal Reserve Board bulletin and rounded to the  
32 nearest one-tenth of one percentage point, except in no event shall the  
33 rate be less than one and one-half per cent. On and after January 1,  
34 1994, the rate for each calendar year shall be not less than the deposit  
35 index as defined and determined by the Banking Commissioner in  
36 subsection (d) of this section, for that year and rounded to the nearest  
37 one-tenth of one percentage point, except in no event shall the rate be  
38 less than one and one-half per cent.

39 Sec. 3. Subsection (c) of section 16-8a of the general statutes is  
40 repealed and the following is substituted in lieu thereof (*Effective from*  
41 *passage*):

42 (c) (1) Not more than [thirty] ninety business days after receipt of a  
43 written complaint, in a form prescribed by the department, by an  
44 employee alleging the employee's employer has retaliated against an  
45 employee in violation of subsection (a) of this section, the department  
46 shall make a preliminary finding in accordance with this subsection.

47 (2) Not more than five business days after receiving a written  
48 complaint, in a form prescribed by the department, the department  
49 shall notify the employer by certified mail. Such notification shall  
50 include a description of the nature of the charges and the substance of  
51 any relevant supporting evidence. The employer may submit a written  
52 response and both the employer and the employee may present

53 rebuttal statements in the form of affidavits from witnesses and  
54 supporting documents and may meet with the department informally  
55 to respond verbally about the nature of the employee's charges. The  
56 department shall consider in making its preliminary finding as  
57 provided in subdivision (3) of this subsection any such written and  
58 verbal responses, including affidavits and supporting documents,  
59 received by the department not more than twenty business days after  
60 the employer receives such notice. Any such response received after  
61 twenty business days shall be considered by the department only upon  
62 a showing of good cause and at the discretion of the department. The  
63 department shall make its preliminary finding as provided in  
64 subdivision (3) of this subsection based on information described in  
65 this subdivision, without a public hearing.

66 (3) Unless the department finds by clear and convincing evidence  
67 that the adverse employment action was taken for a reason  
68 unconnected with the employee's report of substantial misfeasance,  
69 malfeasance or nonfeasance, there shall be a rebuttable presumption  
70 that an employee was retaliated against in violation of subsection (a) of  
71 this section if the department finds that: (A) The employee had  
72 reported substantial misfeasance, malfeasance or nonfeasance in the  
73 management of the public service company, holding company or  
74 licensee; (B) the employee was subsequently discharged, suspended,  
75 demoted or otherwise penalized by having the employee's status of  
76 employment changed by the employee's employer; and (C) the  
77 subsequent discharge, suspension, demotion or other penalty followed  
78 the employee's report closely in time.

79 (4) If such findings are made, the department shall issue an order  
80 requiring the employer to immediately return the employee to the  
81 employee's previous position of employment or an equivalent position  
82 pending the completion of the department's full investigatory  
83 proceeding pursuant to subsection (d) of this section.

84 Sec. 4. Subdivision (1) of subsection (b) of section 16-262c of the  
85 general statutes is repealed and the following is substituted in lieu

86 thereof (*Effective from passage*):

87 (b) (1) From November first to May first, inclusive, no electric or  
88 electric distribution company, as defined in section 16-1, no electric  
89 supplier and no municipal utility furnishing electricity shall terminate,  
90 deny or refuse to reinstate residential electric service in hardship cases  
91 where the customer lacks the financial resources to pay his or her  
92 entire account. From November first to May first, inclusive, no gas  
93 company and no municipal utility furnishing gas shall terminate, deny  
94 or refuse to reinstate residential gas service in hardship cases where  
95 the customer uses such gas for heat and lacks the financial resources to  
96 pay his or her entire account, except a gas company that, between May  
97 second and October thirty-first, terminated gas service to a residential  
98 customer who uses gas for heat and who, during the previous period  
99 of November first to May first, had gas service maintained because of  
100 hardship status, may refuse to reinstate the gas service from November  
101 first to May first, inclusive, only if the customer has failed to pay, since  
102 the preceding November first, the lesser of: (A) Twenty per cent of the  
103 outstanding principal balance owed the gas company as of the date of  
104 termination, (B) one hundred dollars, or (C) the minimum payments  
105 due under the customer's amortization agreement. Notwithstanding  
106 any other provision of the general statutes to the contrary, no electric,  
107 electric distribution or gas company, no electric supplier and no  
108 municipal utility furnishing electricity or gas shall terminate or refuse  
109 to reinstate residential electric or gas service where the customer lacks  
110 the financial resources to pay his or her entire account and for which  
111 customer or a member of the customer's household the termination or  
112 failure to reinstate such service would create a life-threatening  
113 situation.

114 Sec. 5. Subsection (a) of section 16-19 of the general statutes is  
115 repealed and the following is substituted in lieu thereof (*Effective from*  
116 *passage*):

117 (a) No public service company may charge rates in excess of those  
118 previously approved by the authority or the Department of Public

119 Utility Control except that any rate approved by the Public Utilities  
120 Commission or the authority shall be permitted until amended by the  
121 authority or the department, that rates not approved by the authority  
122 or the department may be charged pursuant to subsection (b) of this  
123 section, and that the hearing requirements with respect to adjustment  
124 clauses are as set forth in section 16-19b. Each public service company  
125 shall file any proposed amendment of its existing rates with the  
126 department in such form and in accordance with such reasonable  
127 regulations as the department may prescribe. Each electric, electric  
128 distribution, gas or telephone company filing a proposed amendment  
129 shall also file with the department an estimate of the effects of the  
130 amendment, for various levels of consumption, on the household  
131 budgets of high and moderate income customers and customers  
132 having household incomes not more than one hundred fifty per cent of  
133 the federal poverty level. Each electric and electric distribution  
134 company shall also file such an estimate for space heating customers.  
135 Each water company, except a water company that provides water to  
136 its customers less than six consecutive months in a calendar year, filing  
137 a proposed amendment, shall also file with the department a plan for  
138 promoting water conservation by customers in such form and in  
139 accordance with a memorandum of understanding entered into by the  
140 department pursuant to section 4-67e. Each public service company  
141 shall notify each customer who would be affected by the proposed  
142 amendment, by mail, at least one week prior to the start of the public  
143 hearing thereon but no earlier than six weeks prior to the start of the  
144 public hearing, that an amendment has been or will be requested. Such  
145 notice shall also indicate (1) the [Department of Public Utility Control]  
146 date, time and location of each scheduled public hearing, if known at  
147 the time such company prepares such notification, (2) that customers  
148 may provide comments regarding the proposed rate request by  
149 writing to the Department of Public Utility Control or by appearing in  
150 person at one of the scheduled public hearings, (3) the department's  
151 telephone number for obtaining information concerning the schedule  
152 for public hearings on the proposed amendment, and [(2)] (4) whether  
153 the proposed amendment would, in the company's best estimate,

154 increase any rate or charge by twenty per cent or more, and, if so,  
155 describe in general terms any such rate or charge and the amount of  
156 the proposed increase, provided no such company shall be required to  
157 provide more than one form of the notice to each class of its customers.  
158 In the case of a proposed amendment to the rates of any public service  
159 company, the department shall hold a public hearing thereon, except  
160 as permitted with respect to interim rate amendments by subsection  
161 (d) and subsection (g) of this section, and shall make such investigation  
162 of such proposed amendment of rates as is necessary to determine  
163 whether such rates conform to the principles and guidelines set forth  
164 in section 16-19e, or are unreasonably discriminatory or more or less  
165 than just, reasonable and adequate, or that the service furnished by  
166 such company is inadequate to or in excess of public necessity and  
167 convenience. The department, if in its opinion such action appears  
168 necessary or suitable in the public interest may, and, upon written  
169 petition or complaint of the state, under direction of the Governor,  
170 shall, make the aforesaid investigation of any such proposed  
171 amendment which does not involve an alteration in rates. If the  
172 department finds any proposed amendment of rates to not conform to  
173 the principles and guidelines set forth in section 16-19e, or to be  
174 unreasonably discriminatory or more or less than just, reasonable and  
175 adequate to enable such company to provide properly for the public  
176 convenience, necessity and welfare, or the service to be inadequate or  
177 excessive, it shall determine and prescribe, as appropriate, an adequate  
178 service to be furnished or just and reasonable maximum rates and  
179 charges to be made by such company. In the case of a proposed  
180 amendment filed by an electric, electric distribution, gas or telephone  
181 company, the department shall also adjust the estimate filed under this  
182 subsection of the effects of the amendment on the household budgets  
183 of the company's customers, in accordance with the rates and charges  
184 approved by the department. The department shall issue a final  
185 decision on each rate filing within one hundred fifty days from the  
186 proposed effective date thereof, provided it may, before the end of  
187 such period and upon notifying all parties and intervenors to the  
188 proceedings, extend the period by thirty days.

189 Sec. 6. Subsection (f) of section 16-2 of the general statutes is  
190 repealed and the following is substituted in lieu thereof (*Effective from*  
191 *passage*):

192 (f) ~~(1)~~ The chairperson of the authority, with the consent of two or  
193 more other members of the authority, shall appoint an executive  
194 director, who shall be the chief administrative officer of the  
195 Department of Public Utility Control. The executive director shall be  
196 supervised by the chairperson of the authority, serve for a term of four  
197 years and annually receive a salary equal to that established for  
198 management pay plan salary group seventy-two by the Commissioner  
199 of Administrative Services. The executive director ~~[(1)]~~ (A) shall  
200 conduct comprehensive planning with respect to the functions of the  
201 department; ~~[(2)]~~ (B) shall coordinate the activities of the department;  
202 ~~[(3)]~~ (C) shall cause the administrative organization of the department  
203 to be examined with a view to promoting economy and efficiency; ~~[(4)]~~  
204 (D) shall, in concurrence with the chairperson of the authority,  
205 organize the department into such divisions, bureaus or other units as  
206 he deems necessary for the efficient conduct of the business of the  
207 department and may from time to time abolish, transfer or consolidate  
208 within the department, any division, bureau or other units as may be  
209 necessary for the efficient conduct of the business of the department,  
210 provided such organization shall include any division, bureau or other  
211 unit which is specifically required by the general statutes; ~~[(5)]~~ (E)  
212 shall, for any proceeding on a proposed rate amendment in which staff  
213 of the department are to be made a party pursuant to section 16-19j,  
214 determine which staff shall appear and participate in the proceedings  
215 and which shall serve the members of the authority; ~~[(6)]~~ (F) may enter  
216 into such contractual agreements, in accordance with established  
217 procedures, as may be necessary for the discharge of his duties; and  
218 ~~[(7)]~~ (G) may, subject to the provisions of section 4-32, and unless  
219 otherwise provided by law, receive any money, revenue or services  
220 from the federal government, corporations, associations or individuals,  
221 including payments from the sale of printed matter or any other  
222 material or services. The executive director shall require the staff of the

223 department to have expertise in public utility engineering and  
224 accounting, finance, economics, computers and rate design. Subject to  
225 the provisions of chapter 67 and within available funds in any fiscal  
226 year, the executive director may appoint a secretary, and may employ  
227 such accountants, clerical assistants, engineers, inspectors, experts,  
228 consultants and agents as the department may require.

229 (2) The chairperson may appoint a designee to serve on behalf of the  
230 department as a member of a board or council created to facilitate state  
231 or regional initiatives with respect to matters affecting the public  
232 interest in connection with utility regulation and services, including,  
233 but not limited to, issues on climate change, the reduction of  
234 greenhouse gas emissions, regional planning and low-income energy  
235 assistance.

236 Sec. 7. Subsection (a) of section 16-243q of the general statutes is  
237 repealed and the following is substituted in lieu thereof (*Effective July*  
238 *1, 2010*):

239 (a) On and after January 1, 2007, each electric distribution company  
240 providing standard service pursuant to section 16-244c and each  
241 electric supplier as defined in section 16-1 shall demonstrate to the  
242 satisfaction of the Department of Public Utility Control that not less  
243 than one per cent of the total output of such supplier or such standard  
244 service of an electric distribution company shall be obtained from  
245 Class III sources. On and after January 1, 2008, not less than two per  
246 cent of the total output of any such supplier or such standard service of  
247 an electric distribution company shall, on demonstration satisfactory to  
248 the Department of Public Utility Control, be obtained from Class III  
249 sources. On or after January 1, 2009, not less than three per cent of the  
250 total output of any such supplier or such standard service of an electric  
251 distribution company shall, on demonstration satisfactory to the  
252 Department of Public Utility Control, be obtained from Class III  
253 sources. On and after January 1, 2010, not less than four per cent of the  
254 total output of any such supplier or such standard service or supplier  
255 of last resort service, pursuant to section 16-244c, of an electric

256 distribution company shall, on demonstration satisfactory to the  
257 Department of Public Utility Control, be obtained from Class III  
258 sources. Electric power obtained from customer-side distributed  
259 resources that does not meet air and water quality standards of the  
260 Department of Environmental Protection is not eligible for purposes of  
261 meeting the percentage standards in this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	16-18a
Sec. 2	<i>from passage</i>	16-262j(c)
Sec. 3	<i>from passage</i>	16-8a(c)
Sec. 4	<i>from passage</i>	16-262c(b)(1)
Sec. 5	<i>from passage</i>	16-19(a)
Sec. 6	<i>from passage</i>	16-2(f)
Sec. 7	<i>July 1, 2010</i>	16-243q(a)

**ET**            *Joint Favorable Subst.*