



Senate

General Assembly

File No. 431

January Session, 2011

Substitute Senate Bill No. 1167

Senate, April 6, 2011

The Committee on Energy and Technology reported through SEN. FONFARA of the 1st Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING THE MID-CONNECTICUT TRASH TO ENERGY FACILITY.

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

1 Section 1. (*Effective from passage*) On or before July 1, 2011, the Office
2 of Policy and Management, after consultation with the Connecticut
3 Resource Recovery Authority's member towns, shall assign the
4 custody, control and operation of the Mid-Connecticut Project Trash to
5 Energy Facility, including any property and equipment associated
6 therein, to a public entity for purposes of providing long-term and
7 reliable solid waste disposal and energy generation services at the least
8 cost to participating municipalities and determine whether to amend
9 the state-wide solid waste management plan adopted pursuant to
10 section 22a-228 of the general statutes.

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

Section 1	<i>from passage</i>	New section
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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: See Below

Explanation

Enactment of the bill will result in an uncertain fiscal impact. It would require the Office of Policy and Management (OPM) to assign the custody, control and operation of the Mid-Connecticut Project Trash to Energy Facility (the "Project") to a public entity, on or before July 1, 2011. This results in no fiscal impact to OPM.

The Mid-Connecticut Project is overseen by the Connecticut Resource Recovery Authority, a quasi-public entity. Currently, 70 municipalities are served by the Mid-Connecticut Project. These communities pay a tip fee of \$69/ton for disposal of municipal solid waste. This fee is set through contractual agreement and is effective through mid FY 13.

A reassignment of custody, control and operation of the Project to a public entity may nullify the municipalities' existing contractual agreements prior to November 2012.¹ In this case, the municipalities would have to negotiate new contracts for tipping fees prior to FY 13. Until any new contracts are negotiated, the direction and magnitude of change in the tip fee charged of a given municipality is uncertain.

Other current contractual provisions affecting municipalities, such as those regarding a recycling rebate program, and CRRA payment-in-lieu of taxes to host towns may also be affected by the proposed

¹ Termination date of current contracts.

reassignment. Associated fiscal impacts would depend upon the terms of future contractual agreements.

The Out Years

The annualized ongoing fiscal impact described above would continue into the future subject to the terms of future contractual agreements.

OLR Bill Analysis

sSB 1167

AN ACT CONCERNING THE MID-CONNECTICUT TRASH TO ENERGY FACILITY.

SUMMARY:

The Office of Legislative Research does not analyze Special Acts.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 21 Nay 1 (03/22/2011)