
OLR Bill Analysis

sHB 6386

AN ACT ESTABLISHING THE DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION.

SUMMARY:

This bill creates the Department of Energy and Environmental Protection (DEEP) by merging the departments of Environmental Protection (DEP) and Public Utility Control (DPUC). The bill also transfers various energy-related responsibilities and powers from the Office of Policy and Management (OPM) to DEEP.

The bill establishes DEEP's energy and environmental goals. These include reducing utility rates and decreasing ratepayer costs, and conserving, improving, and protecting the natural resources and environment of the state.

The bill changes the membership of various boards and commissions to reflect DEEP's creation. It makes many minor, conforming, and technical changes (§§ 2 to 5, 8, 12, 16, 23, 35, 36, 41, 42, 45, and 47).

EFFECTIVE DATE: July 1, 2011

DEEP RESPONSIBILITIES AND POWERS §§ 1, 11, 19, 20, 22, 24, 25, 33, 34

The bill makes DEEP the successor agency of DEP and DPUC and transfers their powers and duties and those of the DEP commissioner to DEEP and its commissioner. It also transfers the powers and duties of OPM and its secretary regarding energy to DEEP and its commissioner. Among other things, these include planning for, and responding to, energy emergencies; registering fuel oil dealers; monitoring oil prices; and managing energy use in state-owned buildings.

Under the bill, DEEP has four bureaus: Environmental Quality, Natural Resources and Outdoor Recreation, Energy, and Public Utility Control.

The bill establishes DEEP's goals, which are, for energy purposes:

1. reducing utility rates and decreasing ratepayer costs,
2. ensuring the reliability and safety of the state's energy supply,
3. increasing the use of clean energy, and
4. creating jobs and developing the state's energy related economy.

For the purposes of environmental protection, the bill gives DEEP the goal of conserving, improving, and protecting the state's natural resources and environment in a way that encourages Connecticut's social and economic development while preserving the natural environment and the life forms it supports in a delicate, interrelated, and complex balance.

The bill gives DEEP jurisdiction over matters related to the equitable distribution and conservation of energy, utility regulation, and state energy policy in addition to those areas currently under DEP's jurisdiction. It gives the DEEP commissioner various energy responsibilities, in addition to the environmental responsibilities of the current DEP commissioner. Among other things, it requires the commissioner to:

1. provide for the highest standards of utility regulation and consumer protection,
2. provide for the equitable distribution and conservation of energy,
3. provide for the development and use of renewable resources, and
4. ensure that low-income people can meet essential energy needs.

Under current law, DPUC is primarily funded by an assessment on the companies it regulates. The bill extends this assessment (CGS § 16-49) to cover all of DEEP's expenses.

Under current law, DPUC can establish management audit teams as part of its staff. The bill instead allows DEEP to employ professional personnel to perform management audits, but requires that it do so within available appropriations.

The bill also:

1. requires DEEP, rather than the Connecticut Energy Advisory Board (CEAB), to select the periodicals in which a request for proposals for alternatives to a proposed generating facility will be published;
2. requires the DEEP commissioner, rather than the OPM secretary, to adopt regulations defining "petroleum products" in connection with registration requirements for companies selling such products;
3. requires the DEEP commissioner rather than the OPM secretary to implement a program to encourage state agencies to use biodiesel blended fuels and the commissioner to prepare an implementation plan by January 1, 2012;
4. transfers from OPM to DEEP various responsibilities regarding lighting standards in public buildings, including overseeing a municipal grant program (not currently in operation);
5. requires DEEP, rather than the Department of Economic and Community Development, to administer the Energy Conservation Loan Fund;
6. transfers responsibility for the Residential Energy Conservation Service program from OPM to DEEP; and
7. transfers OPM's powers and responsibilities regarding energy efficiency standards for consumer products to DEEP;

8. requires DEEP, rather than OPM in consultation with DPUC, to
 - (a) certify that new products meet the statutory efficiency standards and
 - (b) adopt regulations to tighten these standards and establish standards for products not covered by the statutes.

BOARDS AND COMMISSIONS §§ 6, 7, 9, 10, 12-14, 21, 26, 38, 43, & 44

The bill removes the Siting Council executive director and the chairperson of the Public Utility Control Authority (PUCA) from the Geospatial Information Systems Council. PUCA consists of the five DPUC commissioners. It removes the PUCA chairperson or his or her designee as a member of the Broadband Internet Coordinating Council and adds the DEEP commissioner or his or her designee instead.

The bill places the PUCA commissioners in DEEP. It eliminates the ability of its chairperson, with the consent of at least two other commissioners, to appoint an executive director to serve as DPUC's chief administrative officer. It also eliminates the executive director's powers and responsibilities, including the power to hire staff and consultants and to enter into contracts.

Under current law, DPUC has an Adjudication Division, whose responsibilities include advising the PUCA chairperson on legal matters. The bill requires the division to advise the DEEP commissioner instead.

The bill removes the PUCA chairperson or his or her designee as a member of (1) the Siting Council and (2) the interagency task force to study electric and magnetic fields.

The bill removes the PUCA chairperson, OPM secretary, and Consumer Counsel from the (CEAB) and places the board in DEEP, rather than OPM, for administrative purposes only.

The bill removes the DPUC chairperson from the Home Heating Oil Planning Council. It replaces the OPM secretary with the DEEP commissioner as a member and chair of the Low-Income Energy

Advisory Board. Under current law, the DPUC chairperson or a commissioner he or she designates serves on the board; the bill requires that a commissioner serve but does not specify who chooses which commissioner. The bill requires the board to advise DEEP, rather than OPM, on energy assistance and weatherization programs and policies. By law, the board must also advise the Department of Social Services in these areas. It also requires DEEP rather than OPM to provide support services to the board.

The bill removes the PUCA chairperson as a member of:

1. Aquifer Protection Advisory Committee,
2. the board that advises the public health commissioner on educating people on water conservation, and
3. the Water Planning Council.

OTHER CHANGES

Integrated Resources Plan § 15

By law, the electric companies must develop an integrated resources plan that uses a mix of savings from energy efficiency programs and power purchases to meet their customers' demand. Under current law, CEAB must approve or modify the plan before it is submitted to DPUC. The bill instead requires CEAB to recommend approval or modification of the plan to the DEEP commissioner.

Under current law, the DPUC chairperson, who serves on CEAB, may not participate in its initial review of the plan. The bill does not require the DEEP commissioner (the chairperson's successor) to abstain from this review.

OPM Staffing § 17

The bill eliminates OPM's ability to hire staff required for its duties regarding regional councils of governments.

Condemning Energy Facilities § 18

By law, a municipality must obtain the written approval of various

state agencies to take certain energy facilities by eminent domain or restrict their operation. The bill removes OPM from the list of agencies.

Plumbing Efficiency Standards §§ 30, 31

The bill eliminates the requirement that the Department of Consumer Protection commissioner consult with (1) the PUCA chairperson when adopting regulations to implement statutory plumbing fixture efficiency standards and (2) the OPM secretary and PUCA chairperson when tightening these standards and establishing testing procedures.

DEP Permit for Generating Facilities § 32

By law, DEP had to develop a general permit for certain small-scale electric generating facilities. The bill eliminates the requirement that the DEEP commissioner (as successor to the DEP commissioner) consult with the PUCA chairperson in (1) renewing this permit and (2) balancing energy and environmental concerns in issuing and renewing the permit.

Emission Standards for Power Plants § 37

The law establishes air emission standards for certain large fossil-fueled power plants. The bill eliminates the requirement that the DEEP commissioner, as successor to the DEP commissioner, consult with the PUCA chairperson in suspending these standards when needed to ensure the reliability of the electric system.

Water Issues §§ 39 & 40

The bill eliminates a requirement that the DEEP commissioner, as successor to the DEP commissioner:

1. consult with the PUCA chairperson in establishing guidelines for acquiring land around water supply well fields and
2. notify the PUCA chairperson of water diversion permit applications.

E-911 Funding § 46

The bill requires the public safety commissioner to annually

communicate the funding needs of the E-911 system to the DEEP commissioner rather than the PUCA chairperson. By law, telecommunication companies are assessed for this funding.

BACKGROUND

Related Bill

SB 1, An Act Concerning Connecticut's Energy Future, favorably reported by the Energy and Technology Committee, also creates DEEP by merging DPUC and DEP. It creates three bureaus and several specific units in DEEP. It also modifies the contents of the integrated resources plan and the process by which it is developed and approved.

COMMITTEE ACTION

Environment Committee

Joint Favorable Substitute

Yea 25 Nay 0 (03/21/2011)