



OLR RESEARCH REPORT

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GOVERNOR'S PROPOSED DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION

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You asked for an analysis of HB 6386, which proposes to create the Department of Energy and Environmental Protection (DEEP) by merging the departments of Environmental Protection (DEP) and Public Utility Control (DPUC).

SUMMARY

In addition to merging the two agencies into DEEP, the bill transfers various energy-related responsibilities and powers from the Office of Policy and Management (OPM) to DEEP. It places the Connecticut Siting Council and Council on Environmental Quality (CEQ) within DEEP and eliminates some CEQ's responsibilities and its staff. The bill is effective July 1, 2011.

SECTION 1

The bill makes DEEP the successor agency of DEP and DPUC and transfers the powers and duties of the existing agencies and 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.

SECTION 5

The bill requires the DEEP commissioner, rather than CEQ, to approve the notice form for transfers of state land.

SECTION 6

The bill removes the Siting Council executive director from the Geospatial Information Systems Council.

SECTION 9

Under current law, the DPUC is headed by five commissioners who are known as the Public Utilities Control Authority. The bill places the commissioners in DEEP.

The bill eliminates the ability of authority's chairperson, with the consent of at least two other commissioners, to appoint an executive director to serve as DPUC's chief administrative officer. The bill eliminates the executive director's powers and responsibilities. These include the power to hire staff and consultants and to enter into contracts.

SECTION 11

Under current law, DPUC can establish management audit teams as part of its staff. If DEEP, as the successor agency, does so it must be within available appropriations.

SECTION 14

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

SECTION 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.

SECTION 18

By law, a municipality must obtain the written approval of various state agencies in order to take certain energy facilities by eminent domain or restrict their operation. The bill removes OPM from the list of agencies.

SECTION 19

The bill requires DEEP, rather than the Connecticut Advisory Board, to select the periodicals in which a request for proposals for alternatives to a proposed generating facility will be published.

SECTION 20

The bill 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.

SECTION 21

The bill removes the DPUC chairperson from the Home Heating Oil Planning Council.

SECTION 22

The bill requires the DEEP commissioner rather than the OPM secretary to implement a program to encourage state agencies to use biodiesel. It requires the commissioner to prepare an implementation plan by January 1, 2012.

SECTION 23

The bill requires the DEEP commissioner, rather than the OPM secretary, to update regulations regarding state building construction standards, to be consistent with Leadership in Energy and Environmental Design as he deems necessary.

SECTION 24

The bill transfers from OPM to DEEP various responsibilities regarding lighting standards in public buildings, including overseeing a municipal grant program (not currently in operation).

SECTION 25

The bill transfers responsibility for administering the Energy Conservation Loan Fund from the Department of Economic and Community Development to DEEP.

SECTION 26

The bill replaces the OPM secretary with the DEEP commissioner as a member and chair of the Low-Income Energy Advisory Board and requires DEEP rather than OPM to provide support services to the board.

SECTIONS 27, 28

The bill transfers responsibility for the Residential Energy Conservation Service program from OPM to DEEP.

SECTION 29

The bill transfers OPM's powers and responsibilities regarding energy efficiency standards for consumer products to DEEP.

SECTION 30, 31

The bill eliminates the requirement that the Department of Consumer Protection consult with OPM in developing efficiency standards and testing procedures for plumbing fixtures.

SECTION 33

The bill requires DEEP, rather than CEQ, to approve the notice form for environmental impact evaluations. It requires DEEP, rather than CEQ, to publish the monthly *Environmental Monitor* and post this document on its website.

SECTIONS 34, 35

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.

SECTION 36

The bill eliminates CEQ's authority to employ staff and places it entirely in DEP (presumably DEEP), rather than just for administrative purposes.

SECTION 42

The bill eliminates a requirement that DEP consult with CEQ in developing a strategy to meet the state's open space preservation goals.

SECTION 48

The bill eliminates provisions on developing and funding fuel oil conservation programs (not implemented to date) and the Fuel Oil Conservation Board.

Sections 2-4, 7, 8, 10, 12, 13, 16, 17, 32, 37-41, and 43-47 make conforming changes.

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