



Senate

General Assembly

File No. 401

February Session, 2012

Substitute Senate Bill No. 23

Senate, April 12, 2012

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 ENHANCING EMERGENCY PREPAREDNESS AND RESPONSE.

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

1 Section 1. Subsection (b) of section 28-5 of the 2012 supplement to
2 the general statutes is repealed and the following is substituted in lieu
3 thereof (*Effective July 1, 2012*):

4 (b) The commissioner shall direct the preparation of a
5 comprehensive plan and program for the civil preparedness of the
6 state and integrate and coordinate that plan and program to the fullest
7 extent possible with the civil preparedness plans of the federal
8 government and of other states. When the plan and program has been
9 prepared, the commissioner shall present it to the Governor for his or
10 her approval. When the Governor approves the plan, all government
11 agencies, state or local, [and] all civil preparedness forces in the state
12 and all public service companies, as defined in section 16-1, shall carry
13 out the duties and functions assigned by the plan and program as

14 approved. The plan and program may, from time to time, be amended
15 or modified in like manner. The commissioner shall coordinate the
16 civil preparedness activities of the towns and cities of the state to the
17 end that they shall be fully integrated with the state civil preparedness
18 plan and program.

19 Sec. 2. Subsection (e) of section 28-5 of the 2012 supplement to the
20 general statutes is repealed and the following is substituted in lieu
21 thereof (*Effective July 1, 2012*):

22 (e) The commissioner shall utilize the personnel, services,
23 equipment, supplies and facilities of existing departments, offices and
24 agencies of the state to the maximum extent possible. The head of each
25 such department, office or agency, in cooperation with and under the
26 direction of the commissioner, shall be responsible for the planning
27 and programming of such activities in the civil preparedness programs
28 as will involve the utilization of the facilities of his or her department,
29 office, institution or agency and shall implement and carry out such
30 activities whenever necessary for the welfare and safety of the state,
31 including participation in planning, training and exercises, as directed
32 by the commissioner.

33 Sec. 3. (NEW) (*Effective from passage*) (a) The Public Utilities
34 Regulatory Authority shall initiate a docket to establish standards for
35 acceptable performance by each electric company, electric distribution
36 company, gas company and telephone company, as those terms are
37 defined in section 16-1 of the general statutes, to ensure the reliability
38 of such company's services, in any emergency, as defined in section 16-
39 32e of the general statutes, to prevent and minimize any service
40 outages or disruptions lasting more than twenty-four consecutive
41 hours, to facilitate restoration of such services after such outages or
42 disruptions, and to identify the optimum level of tree trimming and
43 system hardening, including undergrounding, necessary to achieve the
44 maximum reliability of the system and to minimize service outages.
45 On or before November 1, 2012, the authority shall submit a report
46 identifying the standards established by the authority pursuant to such

47 docket and any recommendations concerning legislative changes
48 necessary to implement such standards to the joint standing committee
49 of the General Assembly having cognizance of matters relating to
50 energy and technology, in accordance with the provisions of section
51 11-4a of the general statutes.

52 (b) The authority shall, in the docket initiated pursuant to
53 subsection (a) of this section, review:

54 (1) Each electric company's, electric distribution company's, gas
55 company's and telephone company's current practices concerning
56 service restoration after an emergency. Such review shall include, but
57 not be limited to, an analysis of each such company's (A) estimates
58 concerning potential damage and service outages prior to any
59 emergency, (B) damage and service outage assessments after any
60 emergency, (C) restoration management after any emergency,
61 including access to alternate restoration resources via regional and
62 reciprocal aid contracts, (D) planning for at-risk and vulnerable
63 customers, (E) communication policies with state and local officials
64 and customers, including individual customer restoration estimates
65 and the accuracy of such estimates, and (F) need for mutual assistance
66 during any emergency;

67 (2) The adequacy of each such company's infrastructure, facilities
68 and equipment, which shall include, but not be limited to, an analysis
69 of (A) whether such infrastructure, facilities and equipment are in
70 good repair and capable of meeting operational standards, (B) whether
71 such company is following standard industry practice concerning
72 operation and maintenance of such infrastructure, facilities and
73 equipment, and (C) whether such company had access to adequate
74 replacement equipment for such infrastructure, facilities and
75 equipment during the course of such emergency;

76 (3) Coordination efforts between each electric company and electric
77 distribution company and any telecommunications company,
78 community antenna television company or certified competitive video
79 service provider, as those terms are defined in section 16-1 of the

80 general statutes, including coordinated planning before any
81 emergency, coordinated restoration efforts after any emergency and
82 plans for emergency generators or back-up battery power where
83 necessary to restore service and maintain communication;

84 (4) Tree trimming policies of each electric company and electric
85 distribution company and shall determine (A) the amount spent by
86 each electric company and electric distribution company for tree
87 trimming in the most recent rate case, (B) each such company's system
88 average interruption duration index, as described in section 16-245y of
89 the general statutes, caused by falling trees and limbs, (C) the impact
90 of expanding the area adjacent to distribution lines for tree trimming,
91 including the cost of such expansion to ratepayers and the likelihood
92 that such expansion would decrease damage to infrastructure, facilities
93 and equipment used to distribute electricity and decrease service
94 outage frequency or duration, and (D) the percentage of service
95 outages during Hurricane Irene and the October 2011 storm caused by
96 trees and limbs outside the current trim area based on an analysis of
97 the quantity of prior tree trimming; and

98 (5) Any other policy, practice or information that the authority
99 determines is relevant to a review of each electric company's, electric
100 distribution company's, gas company's and telephone company's
101 ability to ensure the reliability of such company's services in an
102 emergency and to prevent, minimize and restore any long-term service
103 outages or disruptions caused by such emergency.

104 Sec. 4. (NEW) (*Effective from passage*) (a) As used in this section,
105 "utility" means any electric company, electric distribution company,
106 gas company or telephone company, as those terms are defined in
107 section 16-1 of the general statutes.

108 (b) The Public Utilities Regulatory Authority shall establish
109 minimum standards of performance for utilities in emergency
110 preparation and restoration of service to customers in an emergency.
111 In developing such standards, the authority shall seek to minimize the
112 number and duration of service outages in emergencies. The standards

113 established by the authority shall include, but not be limited to,
114 provisions for:

115 (1) Minimum staffing and equipment levels for each utility based on
116 the number of customers served by such utility;

117 (2) Targets for recovery and restoration of service in emergencies
118 based upon the classification levels of such emergencies;

119 (3) A communication plan between each utility and its customers,
120 including, but not limited to, communication during other than normal
121 business hours;

122 (4) Safety standards for employees of each utility, mutual aid crews
123 and private contractors;

124 (5) Filing mutual aid agreements by utilities;

125 (6) Communication and coordination between each utility and the
126 appropriate state, municipal or emergency operations center official
127 concerning emergency preparation, road clearing and the
128 establishment of restoration priorities;

129 (7) Tree trimming, cutting and removal by each electric company
130 and electric distribution company to reduce service outages caused by
131 trees and limbs;

132 (8) Communication and coordination, in consultation with the
133 Department of Emergency Services and Public Protection, between
134 each utility and the public including, but not limited to, standards
135 concerning the use of any emergency notification system to notify the
136 public of service restoration estimates and any dangerous conditions;

137 (9) Timely notification by each utility to any relevant state or
138 municipal agency or official including, but not limited to, any public
139 safety agency or official, of any emergency and standards for
140 coordination and communication between such utility and such
141 agency or official;

142 (10) Communication and coordination between any appropriate
143 electric, electric distribution, gas or telephone company; and

144 (11) The operation of the call center of each utility,
145 telecommunications company, holder of a certificate of video franchise
146 authority, holder of a certificate of cable franchise authority or voice
147 over Internet protocol provider during any emergency.

148 (c) The authority shall establish as it deems fit any other standards
149 for acceptable performance by any utility to ensure the reliability of
150 such utility's services in any emergency, to prevent and minimize any
151 service outages or disruptions lasting more than twenty-four
152 consecutive hours and to facilitate restoration of such services after
153 such outages or disruptions.

154 (d) Any mutual aid agreement filed with the authority pursuant to
155 this section shall not be considered a public record or file subject to
156 disclosure under the Freedom of Information Act, as defined in section
157 1-200 of the general statutes.

158 Sec. 5. (NEW) (*Effective from passage*) (a) Not later than August 1,
159 2012, and April fifteenth annually thereafter, each utility, as defined in
160 section 4 of this act, shall provide an emergency response plan to the
161 Public Utilities Regulatory Authority. Such plan shall include
162 information and analysis concerning such utility's ability during the
163 preceding year to meet the emergency preparedness and response
164 standards established by the authority pursuant to section 4 of this act.

165 (b) In addition to the annual reporting requirements provided in
166 subsection (a) of this section, the authority may require any utility to
167 submit a supplemental emergency response plan after any storm,
168 emergency or event causing significant service outages.

169 Sec. 6. (NEW) (*Effective from passage*) After any emergency, as
170 defined in section 16-32e of the general statutes, the Public Utilities
171 Regulatory Authority shall review the performance of each electric
172 company, electric distribution company, gas company and telephone

173 company, as those terms are defined in section 16-1 of the general
174 statutes. The authority, upon a finding that any such company failed to
175 comply with any standard of acceptable performance in emergency
176 preparation or restoration of service in an emergency, adopted
177 pursuant to section 4 of this act or any order of the authority, shall
178 make orders, after a hearing that is conducted as a contested case in
179 accordance with chapter 54 of the general statutes, to enforce such
180 standards and may levy civil penalties against such company,
181 pursuant to section 16-41 of the general statutes, not to exceed two and
182 one-half per cent of such electric, electric distribution or gas company's
183 annual distribution revenue for any related series of noncompliance by
184 any electric company, electric distribution company or gas company
185 and not to exceed twenty-million dollars for any related series of
186 noncompliance by any telephone company. Any such penalty shall be
187 assessed in the form of a credit to ratepayers of such electric, electric
188 distribution or gas company or customers of such telephone company.
189 Any such penalty shall not be included as an operating expense of
190 such company for purposes of ratemaking.

191 Sec. 7. (NEW) (*Effective from passage*) (a) As used in this section:

192 (1) "Municipality" has the same meaning as provided in section 7-
193 233b of the general statutes;

194 (2) "Critical facility" means any hospital, police station, fire station,
195 water treatment plant, sewage treatment plant or correctional facility,
196 any commercial area of a municipality or any other facility or area
197 identified by the Department of Energy and Environmental Protection
198 as critical;

199 (3) "Renewable distributed energy generation" means energy
200 produced from a Class I renewable energy source, as defined in section
201 16-1 of the general statutes; and

202 (4) "Electric distribution company" and "participating municipal
203 electric utility" have the same meanings as provided in section 16-1 of
204 the general statutes.

205 (b) The Department of Energy and Environmental Protection shall
206 establish a micro-grid grant and loan pilot program to support local
207 renewable distributed energy generation for critical facilities. The
208 department shall develop and issue a request for proposals from
209 municipalities, electric distribution companies, participating municipal
210 electric utilities, energy improvement districts and private entities
211 seeking to develop micro-grid renewable distributed energy
212 generation, or to repurpose existing renewable distributed energy
213 generation for use with micro-grids, to support critical facilities. Any
214 entity eligible to submit a proposal pursuant to this section may
215 collaborate with any other such entity in submitting such proposal.

216 (c) The department shall award grants or loans under the micro-grid
217 grant and loan pilot program to any number of recipients, provided
218 the total amount of grants and loans awarded under the program shall
219 not exceed five million dollars. In awarding such grants and loans, the
220 department shall give preference to any project with an anticipated
221 completion date on or before October 1, 2012. The department may
222 establish any financing mechanism to leverage additional funding for
223 the program.

224 (d) Not later than January first, annually, for a period of five years
225 after receiving a grant or loan under the micro-grid grant and loan
226 pilot program, any recipient of such grant or loan shall submit a
227 report, in accordance with section 11-4a of the general statutes, to the
228 department and the joint standing committees of the General
229 Assembly having cognizance of matters relating to appropriations and
230 energy and technology. Such report shall include information
231 concerning the status of such recipient's micro-grid project.

232 (e) On or before January 1, 2013, the department shall file a report,
233 in accordance with the provisions of section 11-4a of the general
234 statutes, with the joint standing committee of the General Assembly
235 having cognizance of matters relating to energy, identifying other
236 funding sources necessary to expand the micro-grid grant and loan
237 pilot program established pursuant to this section and any legislative

238 changes necessary to access such funding.

239 Sec. 8. (NEW) (*Effective from passage*) Not later than October 1, 2012,
240 each electric, electric distribution, gas and telephone company, as those
241 terms are defined in section 16-1 of the general statutes, shall submit a
242 plan to implement the standards of acceptable performance for utilities
243 in emergency preparation and restoration of service in an emergency,
244 adopted pursuant to section 4 of this act, to the Public Utilities
245 Regulatory Authority. The authority shall approve, reject or modify
246 each such plan. The authority may require any such company to
247 submit a supplemental plan after any storm, emergency or event
248 causing significant service outages.

249 Sec. 9. (NEW) (*Effective from passage*) On or before October 1, 2012,
250 and annually thereafter, each telecommunications company, as defined
251 in section 16-1 of the general statutes, shall submit a report to the
252 Department of Emergency Services and Public Protection concerning
253 each such company's ability to provide backup power during an
254 electric service outage for any telecommunications tower or antenna
255 owned, leased or operated by such company to provide
256 telecommunications services, as defined in section 16-247a of the
257 general statutes, and each such company's plans concerning such
258 backup power. Any information provided to the department pursuant
259 to this section shall be considered confidential, not subject to disclosure
260 under the Freedom of Information Act, as defined in section 1-200 of
261 the general statutes, and such information shall not be transmitted to
262 any person except as needed to comply with this section. On or before
263 January 1, 2013, and annually thereafter, the department shall submit a
264 report to the joint standing committee of the General Assembly having
265 cognizance of matters relating to energy and technology, in accordance
266 with the provisions of section 11-4a of the general statutes, identifying
267 any information concerning each such company's ability to provide
268 backup power during an electric service outage for any
269 telecommunications tower or antenna owned, leased or operated by
270 such company to provide telecommunications services and each such
271 company's plans concerning such backup power. Such report shall

272 include the department's recommendations for any necessary statutory
273 change.

274 Sec. 10. Subsection (a) of section 16-2a of the 2012 supplement to the
275 general statutes is repealed and the following is substituted in lieu
276 thereof (*Effective from passage*):

277 (a) There shall be an independent Office of Consumer Counsel,
278 within the Department of Energy and Environmental Protection, for
279 administrative purposes only, to act as the advocate for consumer
280 interests in all matters which may affect Connecticut consumers with
281 respect to public service companies, electric suppliers and certified
282 telecommunications providers, including, but not limited to, matters
283 concerning the maintenance and operation of the infrastructure of such
284 companies, suppliers and providers that provide service to consumers.
285 The Office of Consumer Counsel is authorized to appear in and
286 participate in any regulatory or judicial proceedings, federal or state, in
287 which such interests of Connecticut consumers may be involved, or in
288 which matters affecting utility services rendered or to be rendered in
289 this state may be involved. The Office of Consumer Counsel shall be a
290 party to each contested case before the Public Utilities Regulatory
291 Authority and shall participate in such proceedings to the extent it
292 deems necessary. Said Office of Consumer Counsel may appeal from a
293 decision, order or authorization in any such state regulatory
294 proceeding notwithstanding its failure to appear or participate in said
295 proceeding.

296 Sec. 11. (NEW) (*Effective from passage*) The Department of
297 Transportation and any municipality shall notify the Public Utilities
298 Regulatory Authority of any pending project involving the
299 construction, alteration, reconstruction, improvement, relocation,
300 widening or changing of the grade of a section of any state highway or
301 any other public highway, that is greater than five miles long or
302 located in a commercial area. The authority, upon determination that
303 such project may provide an opportunity for any public service
304 company, as defined in section 16-1 of the general statutes, to install,

305 replace, upgrade or bury any water, sewer or gas line, electric wire or
 306 cable or fiber optics, shall notify such company of such project.

307 Sec. 12. (*Effective from passage*) The Public Utilities Regulatory
 308 Authority shall initiate a docket to identify and establish procedures to
 309 increase efforts by public service companies, as defined in section 16-1
 310 of the general statutes, to install, replace, upgrade or bury any water,
 311 sewer or gas line, electric wire or cable or fiber optics, including
 312 procedures to coordinate with the Department of Transportation, any
 313 municipality and any other public service company to encourage such
 314 installment, replacement, upgrading or burying during any period in
 315 which a project to construct, alter, reconstruct, improve, relocate,
 316 widen or change the grade of a section of any state highway or any
 317 other public highway is ongoing. On or before February 1, 2013, the
 318 authority shall report, in accordance with the provisions of section 11-
 319 4a of the general statutes, the findings of such docket, including any
 320 recommended legislation necessary to implement such findings, to the
 321 joint standing committee of the General Assembly having cognizance
 322 of matters relating to public utilities.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2012</i>	28-5(b)
Sec. 2	<i>July 1, 2012</i>	28-5(e)
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>from passage</i>	New section
Sec. 7	<i>from passage</i>	New section
Sec. 8	<i>from passage</i>	New section
Sec. 9	<i>from passage</i>	New section
Sec. 10	<i>from passage</i>	16-2a(a)
Sec. 11	<i>from passage</i>	New section
Sec. 12	<i>from passage</i>	New section

Statement of Legislative Commissioners:

In section 3(a), "as those terms are defined in section 16-1 of the general statutes" was inserted after "telephone company" for clarity; in section

3(b)(1), "any such company's" was changed to "each such company's" for internal consistency; in section 3(b)(4), "as defined in section 16-245y" was changed to "as described in section 16-245y" for statutory consistency and clarity; in section 3(b)(5), "is" was inserted after "determines" for proper grammar; in sections 4(b)(6), 4(b)(8), 4(b)(9) and 4(b)(11), "any utility" was changed to "each utility" for internal consistency; in section 6, "as those terms are defined in section 16-1 of the general statutes" was inserted after "telephone company" for clarity; and in section 12, "as defined in section 16-1 of the general statutes" was inserted after "public service companies" for clarity.

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:

Agency Affected	Fund-Effect	FY 13 \$	FY 14 \$
Department of Energy and Environmental Protection	CC&PUCF - Cost	190,000	190,000
Comptroller Misc. Accounts (Fringe Benefits) ¹	GF - Cost	55,518	55,518
Department of Energy and Environmental Protection	CC&PUCF - Cost	See Below	See Below

Note: CC&PUCF=Consumer Counsel and Public Utility Control Fund; GF=General Fund

Municipal Impact: None

Explanation

The bill requires the Public Utilities Regulatory Authority (PURA) to establish certain utility company performance standards for emergency preparation and service restoration. PURA will need to hire two engineers (total salary cost of \$245,518 including fringe benefits) to establish standards and annually evaluate utility companies' performance. While this section of the bill is effective upon passage, it is not anticipated that PURA will incur any costs until FY 13.

The bill also requires the Department of Energy and Environmental Protection to establish a pilot program to fund local clean energy generation. The program is authorized to spend up to \$5 million in total grants and loans, though no funding source is identified in the bill.² To the extent that these grants and loans are nonetheless

¹ The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated non-pension fringe benefit cost associated with most personnel changes is 29.22% of payroll in FY 13 and FY 14.

² It should be noted that the bond bill approved by the Finance, Revenue and Bonding Committee (sSB 25, AA Authorizing and Adjusting Bonds of the State for

provided, there is a cost of up to \$5 million.

The bill also makes several regulatory changes that have no fiscal impact on PURA.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

Capital Improvements, Transportation and Other Purposes) does not authorize any bond funds for the local clean energy generation pilot program established in this bill.

OLR Bill Analysis**sSB 23*****AN ACT ENHANCING EMERGENCY PREPAREDNESS AND RESPONSE.*****SUMMARY:**

This bill requires the Public Utilities Regulatory Authority (PURA) to (1) initiate a docket to review utility company emergency preparation and service restoration practices and identify optimum tree trimming and infrastructure hardening levels and (2) establish electric, gas, and telephone company performance standards for emergency preparation and service restoration. The companies must also submit annual reports on their emergency response plans and performance. The bill requires PURA to review the companies' performance after an emergency and issue orders to enforce the standards. It also allows PURA to issue civil penalties for violations.

The bill also (1) requires telecommunications companies to report on their backup power generation capabilities of their cell towers; (2) increases communication between the Department of Transportation (DOT), PURA, municipalities, and utilities to coordinate roadwork and utility line undergrounding; and (3) establishes a pilot program to fund local clean energy generation for critical facilities (micro-grids).

It expands the scope of the state's civil preparedness and training requirements by requiring all private utility companies, including electric, gas, telephone, water, and cable TV companies, to comply with the state's comprehensive civil preparedness plan. It also requires all state departments, offices, and agencies to participate in civil preparedness planning, training, and exercises when directed to do so by the Department of Emergency Services and Public Protection (DESPP) commissioner.

By law, the Office of Consumer Counsel (OCC) advocates for consumer interests in matters regarding the regulated utility companies. The bill expands OCC's charge to include matters related to the utilities' infrastructure maintenance and operation.

EFFECTIVE DATE: Upon passage, except for the provisions regarding the civil preparedness plan and training, which are effective July 1, 2012.

STORM PREPARATION AND RESPONSE

PURA Review Docket

The bill requires PURA to initiate a proceeding to establish acceptable performance standards for electric, gas, and telephone companies that (1) ensure service reliability in an emergency (any hurricane, tornado, storm, flood, high water, wind-driven water, snowstorm, drought, fire explosion, or enemy attack); (2) prevent and minimize service outages from lasting more than 24 hours; (3) facilitate restoration after long outages; and (4) identify the optimum levels of tree trimming and system hardening, including putting equipment underground, to maximize system reliability and minimize service outages.

In the docket, the bill requires PURA to review and analyze:

1. each electric, gas, and telephone company's current restoration practices following an emergency, including (a) damage and outage estimates made prior to an emergency, (b) damage and outage estimates made after an emergency, (c) restoration management after an emergency, including any access to external resources provided by regional and reciprocal aid contracts, (d) planning for at-risk and vulnerable customers, (e) communication policies, including individual restoration estimates, with state and local officials and customers, and (f) the need for mutual assistance during an emergency;
2. each company's infrastructure, facilities, and equipment, including if (a) they are well maintained and able to meet

- operational standards, (b) the company follows standard industry practices for operations and maintenance, and (c) the company can access adequate replacement equipment during an emergency;
3. coordination efforts between electric, telephone, and certain cable TV companies (excluding providers with certificates of video franchise authority), including pre- and post-emergency planning, restoration efforts, and plans for emergency generators or back-up battery power where necessary to restore service;
 4. each electric company's tree trimming policies, including (a) amounts spent on tree trimming in (presumably since) its last rate case, (b) the average length of outages caused by falling trees and limbs, (c) how expanding the trimming zone around the company's distribution lines would affect ratepayers, infrastructure damage, and equipment used to decrease the frequency and length of outages, and (d) the percentage of outages during Hurricane Irene and the October 2011 snowstorm that were caused by falling trees and limbs outside current trim areas, based on an analysis of prior tree trimming quantities; and
 5. any other policies, practices, or information relevant to the review.

PURA must submit a report identifying its standards and recommendations for legislative action to the Energy and Technology Committee by November 1, 2012.

Emergency Preparation & Service Restoration Standards

The bill requires PURA to establish minimum performance standards for an electric, gas, or telephone company's preparation and service restoration during an emergency. The standards must aim to minimize the frequency and length of outages during emergencies and at least include requirements for:

1. minimum staffing and equipment levels for each utility, based on the size of its customer base;
2. recovery and restoration targets based on the level of a particular emergency;
3. a communication plan between a utility and its customers that includes communications during non-business hours;
4. safety standards for utility employees, mutual aid crews, and private contractors;
5. the filing of mutual aid agreements (which the bill exempts from disclosure under the Freedom of Information Act);
6. communication and coordination between utilities and state or local emergency operations centers regarding road clearing and restoration priorities;
7. electric company tree trimming, cutting, and removal to reduce outages;
8. communication and coordination, in consultation with DESPP, between each utility company and the public, including standards for using the emergency notification system of service restorations and possible dangerous conditions;
9. timely communications between utilities and relevant state and local officials regarding emergency coordination and communication;
10. communication and coordination between electric, gas, and telephone companies;
11. operations of a call center by each electric, gas, telephone, telecommunications, or cable TV company, and voice over internet protocol (VOIP) provider during any emergency; and
12. any other measure that would ensure a gas, electric, or telephone

company's reliability during an emergency, prevent outages lasting over 24 hours, and promote service restoration after an outage.

PURA Performance Review & Penalties

The bill requires PURA to review each electric, gas, and telephone company's performance after an emergency. If PURA finds that a company failed to comply with any of the bill's emergency preparation and service restoration standards, or any other PURA order, the bill requires it to hold a contested case hearing and issue orders to enforce the standards.

The bill also allows PURA to issue civil penalties against the companies for any related series of noncompliance. Electric or gas companies can be fined up to 2.5% of their annual distribution revenue. Telephone companies can be fined up to \$20 million. The penalties must be paid as a credit to ratepayers and cannot be considered an operating expense that the company can recover in its rates.

Utility Implementation and Emergency Response Plans

By August 1, 2012, and every April 15th thereafter, the bill requires every electric, gas, and telephone company to submit an emergency response plan to PURA. The plan must include information and analysis regarding how the company complied with the bill's emergency preparation and restoration standards over the previous year.

The bill also requires each electric, gas, and telephone company to submit to PURA, by October 1, 2012, a plan detailing how it will implement the emergency preparation and service restoration standards. PURA can approve, reject, or modify the plan.

The bill allows PURA to require any of the companies to submit a supplemental emergency response plan or implementation plan after any storm, emergency or event that caused significant outages.

(Although the bill requires the utilities to submit these plans by August 1, 2012, and October 1, 2012, respectively, it does not require PURA to have finalized its standards by these dates. As noted above, the results of PURA's review are not due to the General Assembly until November 1, 2012.)

REPORTS ON CELL TOWER BACKUP GENERATION

By October 1, 2012, the bill requires land line and cellular telecommunication companies to issue annual reports to DESPP on their ability and plans to provide backup power to their cell towers and antennae during an electricity outage. The bill exempts from disclosure under the Freedom of Information Act any information they are required to report. DESPP must issue a report to the Energy and Technology Committee on this information and its legislative recommendations by January 1, 2013, and annually thereafter. Under the bill, such information is confidential and its transmittal for any other purpose is prohibited.

ROAD WORK COORDINATION

The bill requires DOT and any municipality to notify PURA whenever it does road work (1) over five miles long or (2) in a commercial area. PURA must then notify utility companies if it determines that the road work could provide an opportunity to install, replace, upgrade, or bury any of their various infrastructure lines.

The bill also requires PURA to initiate a docket to identify and establish ways to increase the utilities' efforts to install, replace, upgrade, or bury any of their various infrastructure lines. The study must consider ways to improve coordination between DOT, municipalities, and the utilities and encourage them to perform the work simultaneously with work on state or public highways. PURA must submit a report on its findings and any legislative recommendations to the Energy and Technology Committee by February 1, 2013.

MICRO-GRID GRANT AND LOAN PILOT PROGRAM

The bill requires DEEP to establish a pilot program to award grants or loans to support local clean energy generation for critical facilities (hospitals, police and fire stations, water and sewage treatment plants, correctional facilities, or other facilities identified by DEEP). The program is open to municipalities, investor-owned electric companies, municipal electric companies, energy improvement districts, and private entities that propose supporting these facilities by developing micro-grid renewable energy generation or converting existing renewable generation for micro-grid use. The bill allows the various entities to collaborate with each other for their proposals and gives preference to projects expected to be completed by October 1, 2012.

Under the bill, the program can issue up to \$5 million in total grants and loans. It does not specify a funding source for the program, but allows DEEP to establish a financing mechanism to leverage additional funding for it.

The bill requires any entity that receives a grant or loan under the program to issue an annual report on the project's status to the Energy and Technology Committee for five years after receiving the funding. It also requires DEEP, by January 1, 2013, to report to the Energy and Technology Committee on other funding sources needed to expand the program and any necessary legislative changes.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 21 Nay 0 (03/28/2012)