



Senate

General Assembly

File No. 433

February Session, 2012

Senate Bill No. 449

Senate, April 16, 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 bill ought to pass.

AN ACT CONCERNING MUNICIPAL WATER RATES.

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

1 Section 1. Subsection (a) of section 7-239 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2012*):

4 (a) (1) The legislative body shall establish just and equitable rates or
5 charges for the use of the waterworks system authorized herein, to be
6 paid by the owner of each lot or building which is connected with and
7 uses such system, and may change such rates or charges from time to
8 time. Such rates or charges shall be sufficient in each year for the
9 payment of the expense of operation, repair, replacements and
10 maintenance of such system and for the payment of the sums herein
11 required to be paid into the sinking fund. No such rate or charge shall
12 be established until after a public hearing at which all the users of the
13 waterworks system and the owners of property served or to be served
14 and others interested shall have an opportunity to be heard concerning
15 such proposed rate or charge. Notice of such hearing shall be given, at

16 least ten days before the date set therefor, in a newspaper having a
 17 circulation in such municipality. Such notice shall set forth a schedule
 18 of rates or charges, and a copy of the schedule of rates or charges
 19 established shall be kept on file in the office of the legislative body and
 20 in the office of the clerk of the municipality, and shall be open to
 21 inspection by the public. The rates or charges so established for any
 22 class of users or property served shall be extended to cover any
 23 additional premises thereafter served which are within the same class,
 24 without the necessity of a hearing thereon. Any change in such rates or
 25 charges may be made in the same manner in which they were
 26 established, provided, if any change is made substantially pro rata as
 27 to all classes of service, no hearing shall be required. The provisions of
 28 this section shall not apply to the sale of bottled water.

29 (2) No such legislative body of a municipality with a population
 30 greater than seventy thousand that operates a municipal waterworks
 31 system pursuant to this chapter and a municipal electric utility
 32 pursuant to chapter 101 shall establish any rate or charge for the use of
 33 such waterworks system that constitutes an increase of greater than
 34 ten per cent of the previous rate or charge for such use, without
 35 approval for such increase from the Public Utilities Regulatory
 36 Authority.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2012	7-239(a)

ET *Joint Favorable*

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:*** None***Explanation***

The bill, which requires approval from the Public Utilities Regulatory Authority for certain municipal water utility rate increases, has no fiscal impact on the state or municipalities.

The Out Years***State Impact:*** None***Municipal Impact:*** None

OLR Bill Analysis**SB 449*****AN ACT CONCERNING MUNICIPAL WATER RATES.*****SUMMARY:**

This bill requires a municipal legislative body from a town with a population of more than 70,000 that has both a municipal water utility and a municipal electric utility (i.e., Norwalk) to get approval from the Public Utilities Regulatory Authority before increasing its municipal water utility's rates or charges more than 10%.

EFFECTIVE DATE: July 1, 2012

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable

Yea 21 Nay 0 (03/28/2012)