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**OLR Bill Analysis**

**sHB 5410**

***AN ACT CONCERNING LOST AND UNACCOUNTED FOR GAS.***

**SUMMARY:**

This bill allows the Public Utilities Regulatory Authority (PURA) to initiate a proceeding to investigate a gas company's lost and unaccounted for gas. In general, lost and unaccounted for gas is the difference between the amount of gas that enters a gas company's distribution system and the amount actually delivered to the company's customers.

The bill allows PURA to establish a cost mechanism in the proceeding that encourages a gas company to (1) reduce lost and unaccounted for gas, (2) replace aging infrastructure, and (3) comply with any additional requirements PURA deems relevant. This cost mechanism can be incorporated in the company's purchased gas adjustment clause, which adjusts the company's rates between general rate cases to account for changes in the cost of purchased gas.

EFFECTIVE DATE: Upon passage

**COMMITTEE ACTION**

Energy and Technology Committee

Joint Favorable Substitute

Yea 23 Nay 0 (03/18/2014)