



Senate Bill No. 288

Public Act No. 16-197

**AN ACT CONCERNING THE DEPARTMENT OF PUBLIC HEALTH'S
RECOMMENDATIONS ON THE EXPANSION AND CONSTRUCTION
OF WATER SYSTEMS.**

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

Section 1. Section 16-262m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2016*):

(a) As used in this section, except as otherwise specified, and section 8-25a, "water company" means a corporation, company, association, joint stock association, partnership, municipality, state agency, other entity or person, or lessee thereof, owning, leasing, maintaining, operating, managing or controlling any pond, lake, reservoir, stream, well or distributing plant or system employed for the purpose of supplying water to fifteen or more service connections or twenty-five or more persons for at least sixty days in any one year.

(b) [No] On and after October 1, 2016, no person or entity, including, but not limited to, a water company may begin the construction of a water supply system for the purpose of supplying water to fifteen or more service connections or twenty-five or more persons for at least sixty days in any one year, and no such person or entity, except a water company supplying more than two hundred fifty service

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connections or one thousand persons, may begin expansion of [such] a water supply system [] without having first obtained a certificate of public convenience and necessity from the Department of Public Health.

(c) For systems serving twenty-five or more residents that are not the subject of proceedings under subsection (c) of section 16-262n or section 16-262o, an application for a certificate of public convenience and necessity shall be on a form prescribed by [the Public Utilities Regulatory Authority, in consultation with] the Department of Public Health, and accompanied by a copy of the applicant's construction or expansion plans, a fee of one hundred dollars, except no state agency shall be required to pay such fee, and when an exclusive service area provider has been determined pursuant to section 25-33g, a copy of a signed ownership agreement between the applicant and provider for the exclusive service area, as determined pursuant to section 25-33g, detailing those terms and conditions under which the system will be constructed or expanded and for which the provider will assume service and ownership responsibilities. When an exclusive service area provider has been determined pursuant to section 25-33g, the application shall also be accompanied by a written confirmation from the exclusive service area provider, as the person that will own the water supply system, that such exclusive service area provider has received the application and is prepared to assume responsibility for the water supply system subject to the terms and conditions of the ownership agreement. Written confirmation from the exclusive service area provider shall be on a form prescribed by [said authority and] said department. Said [authority and] department shall issue a certificate to an applicant upon determining, to [their] said department's satisfaction, that (1) no interconnection is feasible with a water system owned by, or made available through arrangement with, the provider for the exclusive service area, as determined pursuant to section 25-33g or with another existing water system where no

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exclusive service area has been assigned, (2) the applicant will complete the construction or expansion in accordance with engineering standards established by regulation by [the Public Utilities Regulatory Authority] said department for water supply systems, (3) ownership of the system will be assigned to the provider for the exclusive service area, when an exclusive service area provider has been determined pursuant to section 25-33g, (4) the proposed construction or expansion will not result in a duplication of water service in the applicable service area, (5) the applicant meets all federal and state standards for water supply systems, (6) except as provided in subsection (d) of this section, the person that will own the water supply system has the financial, managerial and technical resources to (A) operate the proposed water supply system in a reliable and efficient manner, and (B) provide continuous adequate service to [consumers] persons served by the water supply system, (7) the proposed water supply system will not adversely affect the adequacy of nearby water supply systems, and (8) any existing or potential threat of pollution that [the Department of Public Health] said department deems to be adverse to public health will not affect any new source of water supply. Any construction or expansion with respect to which a certificate is required shall thereafter be built, maintained and operated in conformity with the certificate and any terms, limitations or conditions contained therein.

(d) [The Public Utilities Regulatory Authority and the Department of Public Health shall each adopt regulations, in accordance with the provisions of chapter 54, to carry out the purposes of subsections (a) to (c), inclusive, of this section.] For the purpose of the Department of Public Health's issuance of a certificate pursuant to subsection (c) of this section, when the person that will own the water supply system is a water company, as defined in section 16-1, or is not the exclusive service area provider because an exclusive service area provider has not been determined, the Public Utilities Regulatory Authority shall

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determine whether such person has the financial resources to (1) operate the proposed water supply system in a reliable and efficient manner, and (2) provide continuous adequate service to persons served by the water supply system.

(e) [(1)] For systems serving twenty-five or more persons, but not twenty-five or more residents, at least sixty days in any one year, an application for a certificate of public convenience and necessity shall be on a form prescribed by the Department of Public Health and accompanied by a copy of the construction or expansion plans. [The Department of Public Health] Said department shall issue a certificate to an applicant upon determining, to its satisfaction, that: [(A) no] (1) No interconnection is feasible with a water system owned by, or made available through arrangement with, the provider for the exclusive service area, as determined pursuant to section 25-33g or with another existing water system where no existing exclusive service area has been assigned; [, (B)] (2) the applicant will complete the construction or expansion in accordance with engineering standards established by [regulation] said department's regulations for water supply systems; [, (C)] (3) ownership of the system will be assigned to the provider for the exclusive service area, as determined pursuant to section 25-33g, if agreeable to the exclusive service area provider and [the Department of Public Health] said department, or may remain with the applicant, if agreeable to [the Department of Public Health] said department, until such time as the water system for the exclusive service area, as determined by section 25-33g, has made an extension of the water main, after which the applicant shall obtain service from the provider for the exclusive service area; [, (D)] (4) the proposed construction or expansion will not result in a duplication of water service in the applicable service area; [, (E)] (5) the applicant meets all federal and state standards for water supply systems; [, (F)] (6) the person that will own the water supply system has the financial, managerial and technical resources to [(i)] (A) operate the proposed water supply

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system in a reliable and efficient manner, and [(ii)] (B) provide continuous adequate service to consumers served by the water supply system; [, (G)] (7) the proposed water supply system will not adversely affect the adequacy of nearby water supply systems; [, and (H)] and (8) any existing or potential threat of pollution that [the Department of Public Health] said department deems to be adverse to public health will not affect any new source of water supply. Any construction or expansion with respect to which a certificate is required shall thereafter be built, maintained and operated in conformity with the certificate and any terms, limitation or conditions contained therein.

(f) Properties held by the Department of Energy and Environmental Protection and used for, or in support of, fish culture, natural resource conservation or outdoor recreational purposes shall be exempt from the requirements of subdivisions (1), (3) and (4) of [subsection (c) of this section and subparagraphs (A), (C) and (D) of subdivision (1) of subsection] subsections (c) and (e) of this section.

[(2)] (g) The Department of Public Health [shall] may adopt regulations, in accordance with the provisions of chapter 54, to carry out the purposes of this [subsection] section. Such regulations may include measures that encourage water conservation and proper maintenance.

Approved June 7, 2016