

**Proposed Substitute
Bill No. 346**

LCO No. 3054

AN ACT ESTABLISHING PARITY FOR OIL AND GAS LEAK REPAIRS.

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

1 Section 1. Section 16-34a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2018*):

3 (a) Not later than July 1, 2015, and annually thereafter, the Public
4 Utilities Regulatory Authority shall submit a report, in accordance
5 with the provisions of section 11-4a, to the joint standing committee of
6 the General Assembly having cognizance of matters relating to energy.
7 Such report shall include (1) a description of the reasons for each gas
8 company's percentage of lost and unaccounted for gas, (2)
9 recommendations for each gas company's gas leak reduction strategy,
10 (3) a description of each gas company's current gas leak monitoring
11 system program, and (4) the number of leaks and causes of such leaks
12 throughout the entire gas distribution system in the state and any
13 other information the authority determines to be relevant.

14 (b) The authority shall initiate a docket to investigate the lost and
15 unaccounted for gas of a gas company if the percentage of lost and
16 unaccounted for gas of such gas company in any calendar year exceeds
17 a total of [three] one per cent. In such docket, a gas company shall
18 report (1) leak detection and monitoring procedures, (2) emissions
19 reduction strategies in addition to leak repair, and (3) any additional
20 requirements the authority determines to be relevant. In such docket,
21 the authority shall establish a cost mechanism to comply with long-

22 term emissions reductions required by section 22a-200a and to
23 incentivize a gas company to (A) reduce lost and unaccounted for gas,
24 including the number of leaks throughout the entire gas distribution
25 system in the state, (B) replace aging infrastructure, and (C) comply
26 with any additional requirements the authority determines to be
27 relevant. Such cost mechanism may be incorporated in the purchased
28 gas adjustment clause pursuant to section 16-19b.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>October 1, 2018</i>	16-34a
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