



General Assembly

**Substitute Bill No. 232**

January Session, 2019



**AN ACT CONCERNING THE ALLOWABLE PERCENTAGE OF  
LEAKAGE FROM GAS PIPELINES.**

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 Section 16-34a of the general statutes is repealed and the  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, 2019*):

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 the leaked  
16 gas component of the lost and unaccounted for gas of such gas  
17 company in any calendar year exceeds a total of [three] one per cent. In  
18 such docket, a gas company shall report (1) leak detection and

19 monitoring procedures, (2) emissions reduction strategies in addition  
20 to leak repair, and (3) any additional requirements the authority  
21 determines to be relevant. In such docket, the authority shall establish  
22 a cost mechanism to comply with long-term emissions reductions  
23 required by section 22a-200a and to incentivize a gas company to (A)  
24 reduce lost and unaccounted for gas, including the number of leaks  
25 throughout the entire gas distribution system in the state, (B) replace  
26 aging infrastructure, and (C) comply with any additional requirements  
27 the authority determines to be relevant. Such cost mechanism may be  
28 incorporated in the purchased gas adjustment clause pursuant to  
29 section 16-19b.

30 (c) No gas company may recover costs associated with the leaked  
31 gas component of any lost and unaccounted for gas.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2019	16-34a

**ENV**      *Joint Favorable Subst.*