OLR Bill Analysis
SB 889

**AN ACT CONCERNING THE PUBLIC UTILITIES REGULATORY AUTHORITY’S INVESTIGATION OF LOST AND UNACCOUNTED FOR GAS.**

**SUMMARY**

This bill changes the threshold at which the Public Utilities Regulatory Authority (PURA) must initiate a docket to investigate a gas company due to its lost and unaccounted for (LAUF) gas. Under current law, PURA must investigate any gas company whose LAUF gas totals more than 3% (presumably, of the total gas that entered the company’s distribution system) in any calendar year. The bill instead requires PURA to investigate if the leaked gas component of the LAUF gas exceeds 1.5% in any year, which does not have to be a calendar year.

In general, LAUF 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 or used for other purposes the company knows about. It does not simply represent gas that leaked from the company’s distribution system, but may also reflect various metering and accounting disparities in the system.

By law, unchanged by the bill, if PURA opens a proceeding to investigate a gas company's LAUF gas, it must establish a cost mechanism to encourage the company to (1) reduce LAUF gas, including the number of leaks throughout the state's entire gas distribution system; (2) replace aging infrastructure; and (3) comply with any additional requirements PURA deems relevant.

**EFFECTIVE DATE:** October 1, 2019

**BACKGROUND**

**Related Bill**
sSB 232, reported favorably by the Environment Committee, (1) prohibits gas companies from recovering costs associated with the leaked gas component of LAUF gas and (2) requires PURA to investigate a gas company if the leaked gas component of its LAUF gas exceeds 1% in any calendar year.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable
Yea  25  Nay  0  (03/19/2019)