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:

Section 1. Section 16-34a of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2019):

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

(b) The authority shall initiate a docket to investigate the lost and unaccounted for gas of a gas company if the percentage of the leaked gas component of the lost and unaccounted for gas of such gas company in any calendar year exceeds a total of [three] one per cent. In such docket, a gas company shall report (1) leak detection and monitoring procedures, (2) emissions reduction strategies in addition to leak repair, and (3) any additional requirements the authority determines to be relevant. In such docket, the authority shall establish a cost mechanism to comply with long-term emissions reductions.
required by section 22a-200a and to incentivize a gas company to (A) reduce lost and unaccounted for gas, including the number of leaks throughout the entire gas distribution system in the state, (B) replace aging infrastructure, and (C) comply with any additional requirements the authority determines to be relevant. Such cost mechanism may be incorporated in the purchased gas adjustment clause pursuant to section 16-19b.

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

This act shall take effect as follows and shall amend the following sections:

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<tr>
<th>Section</th>
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<tbody>
<tr>
<td>Section 1</td>
<td>October 1, 2019</td>
<td>16-34a</td>
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