



General Assembly

Amendment

January Session, 2019

LCO No. 10055



Offered by:
SEN. SOMERS, 18th Dist.

To: Subst. House Bill No. 7156 File No. 192 Cal. No. 486

(As Amended by House Amendment Schedule "A")

**"AN ACT CONCERNING THE PROCUREMENT OF ENERGY
DERIVED FROM OFFSHORE WIND."**

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. Subsection (a) of section 7-121f of the general statutes is
4 repealed and the following is substituted in lieu thereof (*Effective from*
5 *passage*):

6 (a) There is established a Municipal Electric Consumer Advocate to
7 act as an independent advocate for consumer interests in all matters
8 which may affect municipal electric energy cooperative consumers,
9 including, but not limited to, electric rates. Costs related to the
10 Municipal Electric Consumer Advocate, including, but not limited to,
11 hourly fees, [and] necessary expenses and fees for consultants hired by
12 the Municipal Electric Consumer Advocate as needed, shall be paid for
13 by all municipal electric energy cooperatives. The annual amount of

14 such costs (1) for such consultants shall not exceed thirty thousand
15 dollars, and (2) for all other fees and expenses that are not for
16 consultants shall not exceed seventy thousand dollars for the first
17 [year] six years and fifty thousand dollars for each year thereafter,
18 unless there is a demonstration of substantial need made by the
19 Municipal Electric Consumer Advocate and approved by the
20 cooperative utility boards of all municipal electric energy cooperatives.

21 Sec. 502. Subsection (h) of section 7-233c of the general statutes is
22 repealed and the following is substituted in lieu thereof (*Effective from*
23 *passage*):

24 (h) A municipal electric energy cooperative shall cause a forensic
25 examination to be conducted by a certified forensic auditor which shall
26 include a review of the revenue and expenditures of a municipal
27 electric energy cooperative for the preceding five years. The auditor
28 shall submit a report that includes a review of whether such municipal
29 electric energy cooperative's operating procedures conform with the
30 provisions of chapter 101a and the bylaws of the municipal electric
31 energy cooperative, and any recommendations for any corrective
32 actions needed to ensure such conformance. The auditor shall not be
33 required to perform a full financial audit of the five-year period or
34 submit an opinion regarding the financial statements or a management
35 letter. The municipal electric energy cooperative shall incorporate any
36 such recommendations for corrective actions into its operating
37 procedures. The municipal electric energy cooperative shall post on its
38 Internet web site and provide to participants such reports not later
39 than seven days after such reports are received by the municipal
40 electric energy cooperative. Each participant shall post on its Internet
41 web site and provide to the municipality in which it operates such
42 reports not later than five days after such reports are received from the
43 municipal electric energy cooperative. Each such municipality shall
44 post on its Internet web site such reports not later than five days after
45 such reports are received from the participant.

46 Sec. 503. Section 7-233c of the general statutes is amended by adding

47 subsection (k) as follows (*Effective from passage*):

48 (NEW) (k) The Auditors of Public Accounts shall conduct two
49 audits of each municipal electric energy cooperative in the state. (1) On
50 or before October 1, 2020, the Auditors of Public Accounts shall
51 conduct a performance audit of each municipal electric energy
52 cooperative in the state. Such audit shall be for the period of time
53 beginning with the day after the last date reviewed in the forensic
54 examination conducted pursuant to subsection (h) of this section and
55 ending with the day of the commencement of such audit. (2) On or
56 before October 1, 2023, the Auditors of Public Accounts shall conduct a
57 performance audit of each municipal electric energy cooperative in the
58 state. Such audit shall be for the period of time beginning with the day
59 after the last date reviewed in the audit conducted pursuant to
60 subdivision (1) of this subsection and ending with the day of the
61 commencement of the audit conducted pursuant to this subdivision.
62 For each audit conducted pursuant to subdivisions (1) and (2) of this
63 subsection, the Auditors of Public Accounts shall (A) conduct each
64 such audit in accordance with generally accepted government auditing
65 standards or by another method or scope said auditors deem
66 appropriate, (B) include a review of the revenue and expenditures of
67 the municipal electric energy cooperative, and (C) submit a report in
68 accordance with the provisions of section 11-4a to the joint standing
69 committee of the General Assembly having cognizance of matters
70 relating to energy, provided such report shall include a review of
71 whether the municipal electric energy cooperative's operating
72 procedures conform with the provisions of chapter 101a and the
73 bylaws of such municipal electric energy cooperative, and any
74 recommendations for any corrective actions needed to ensure such
75 conformance. Said auditors shall not be required to perform a full
76 financial audit or submit an opinion regarding any financial
77 statements or a management letter."

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

Sec. 501	<i>from passage</i>	7-121f(a)
Sec. 502	<i>from passage</i>	7-233c(h)
Sec. 503	<i>from passage</i>	7-233c