



General Assembly

**Amendment**

January Session, 2019

LCO No. 10056



Offered by:  
SEN. SOMERS, 18<sup>th</sup> Dist.

To: Subst. Senate Bill No. 70

File No. 255

Cal. No. 138

**"AN ACT ESTABLISHING THE CONNECTICUT  
INFRASTRUCTURE BANK."**

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4 repealed and the following is substituted in lieu thereof (*Effective from*  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22 repealed and the following is substituted in lieu thereof (*Effective from*  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)

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Sec. 503	<i>from passage</i>	7-233c
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