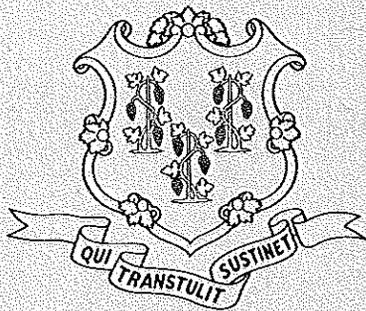


# Energy Advisory Board

Connecticut  
General Assembly



LEGISLATIVE  
PROGRAM REVIEW  
AND  
INVESTIGATIONS  
COMMITTEE

## SUNSET 1983

Volume IV-21  
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CONNECTICUT GENERAL ASSEMBLY

LEGISLATIVE PROGRAM REVIEW AND INVESTIGATIONS COMMITTEE

The Legislative Program Review and Investigations Committee is a joint, bipartisan, statutory committee of the Connecticut General Assembly. It was established in 1972 as the Legislative Program Review Committee to evaluate the efficiency and effectiveness of selected state programs and to recommend improvements where indicated. In 1975 the General Assembly expanded the Committee's function to include investigations and changed its name to the Legislative Program Review and Investigations Committee. During the 1977 session, the Committee's mandate was again expanded by the Executive Reorganization Act to include "Sunset" performance reviews of nearly 100 agencies, boards, and commissions, commencing on January 1, 1979.

The Committee is composed of twelve members, three each appointed by the Senate President Pro Tempore and Minority Leader, and the Speaker of the House and Minority Leader.

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## TABLE OF CONTENTS

SUMMARY.....	iii
I. INTRODUCTION	
Purpose and Authority.....	1
Methodology.....	2
II. BACKGROUND.....	3
Legislative History.....	3
Structure.....	4
Purpose, Powers and Duties.....	4
Fiscal Information.....	5
III. ACTIVITIES.....	7
IV. ANALYSIS AND RECOMMENDATION.....	9
APPENDICES.....	
A. Summary Sheet.....	13
B. Legislative Changes.....	15



## ENERGY ADVISORY BOARD

### SUMMARY

The Energy Advisory Board was established along with the Connecticut Energy Agency in 1974 as part of the state's overall response to the 1973 energy crisis (P.A. 285). The board was designed to be an independent entity with membership drawn from the executive and legislative branches of government, the energy industry, utilities and the general public.

The board's original purpose was to obtain facts about the state's energy supplies and demands, make projections and develop recommendations for keeping supplies and demands in balance. Under Public Act 82-222 the board's stated purpose shifted from providing facts on energy supply and demand to reviewing energy reports prepared by and for the secretary of the Office of Policy and Management, making recommendations for balancing energy supplies and demands, and monitoring the implementation of the state's energy policy. To achieve the purpose mandated by P.A. 222 the board has the following powers and duties:

- to receive and review the report prepared by the secretary of the Office of Policy and Management that summarizes the energy reviews written by selected state agencies in response to Section 16a-35m of the Connecticut General Statutes and the comments received at hearings related to the reviews;
- to submit a report to the governor and the General Assembly in each odd-numbered year addressing the state's energy situation including recommendations for bringing energy supply and demand into balance by conserving energy, reducing or controlling energy demand and developing new or expanded sources of energy;
- to submit a report to the governor and the General Assembly in each even-numbered year assessing the implementation of the recommendations contained in the preceding reports of the board and the secretary of the Office of Policy and Management; and

- to make recommendations and encourage programs aimed at fostering cooperative efforts by and among business, industry, utilities, the academic community and government agencies to develop new sources of energy.

The Energy Advisory Board is located within the Office of Policy and Management for administrative purposes only. The board consists of 14 members as follows:

- commissioner of economic development;
- commissioner of environmental protection;
- chairperson of the Connecticut Siting Council;
- chairperson of the Public Utilities Control Authority;
- four members appointed by the governor at least one of whom shall be a representative of organized labor;
- three members appointed by the president pro tempore of the Senate; and
- three members appointed by the speaker of the house.

The Energy Advisory Board meets monthly. It had an average attendance of eight members in FY 1980-81 and seven members during FY 1981-82. The estimated cost of operating the board was \$14,000 in FY 1980-81 and \$7,500 in FY 1981-82.

The program review committee concluded the principal benefit of the Energy Advisory Board is that it provides a forum for representatives of state agencies, business, labor and the public to exchange ideas and formulate energy-related policy recommendations. An analysis of minutes of meetings held over the past two years shows the thrust of the board's activities has been to propose programs aimed at maximizing energy conservation.

The program review committee found the board in pursuing its mandate operates in an area already served by the Office of Policy and Management's Energy Division and the General Assembly's Energy and Public Utilities Committee. The fact that all three entities are to varying degrees engaged in policy formulation and oversight means there is inherent duplication and

overlap of roles. Evaluating the Energy Advisory Board's role in the area was complicated by the low profile the board has maintained. For example, board members or staff have rarely appeared before the Energy and Public Utilities Committee to advocate recommendations contained in the board's reports.

The Legislative Program Review and Investigations Committee concluded the Office of Policy and Management's Energy Division and the legislature's Energy and Public Utilities Committee both offer extensive opportunities for the interests represented by the board to participate in the energy policy process. Further, since the Energy Advisory Board did not demonstrate that it provides a unique opportunity for participation in the process, clearly it can be terminated without harm to the intent surrounding its establishment.

*Therefore, the Legislative Program Review and Investigations Committee recommends the Energy Advisory Board be terminated.*



## INTRODUCTION

### Purpose and Authority

Chapter 28 of the Connecticut General Statutes provides for the periodic review of certain governmental entities and programs and for the termination or modification of those which do not significantly benefit the public health, safety, or welfare. This law was enacted in response to a legislative finding that a proliferation of governmental entities and programs had occurred without sufficient legislative oversight.

The authority for undertaking the initial review in this oversight process is vested in the Legislative Program Review and Investigations Committee. The committee is charged, under the provisions of Section 2c-3 of Chapter 28, with conducting a performance audit of each entity or program scheduled for termination. This audit must take into consideration, but is not limited to, the four criteria set forth in Section 2c-7. These criteria include: (1) whether termination of the entity or program would significantly endanger the public health, safety, or welfare; (2) whether the public could be adequately protected by another statute, entity, or program or by a less restrictive method of regulation; (3) whether the governmental entity or program produces any direct or indirect increase in the cost of goods or services and, if it does, whether the public benefits attributable to the entity or program outweigh the public burden of the increase in cost; and (4) whether the effective operation of the governmental entity or program is impeded by existing statutes, regulations or policies, including budgetary and personnel policies.

In addition to the criteria contained in Section 2c-7, the Legislative Program Review and Investigations Committee is required, when reviewing regulatory entities or programs, to consider, among other things: (1) the extent to which qualified applicants have been permitted to engage in any profession, occupation, trade, or activity regulated by the entity or program; (2) the extent to which the governmental entity involved has complied with federal and state affirmative action requirements; (3) the extent to which the governmental entity involved has recommended statutory changes which would benefit the public as opposed to the persons regulated; (4) the extent to which the governmental entity involved has encouraged public participation in the formulation of its regulations and policies; and (5) the manner in which the governmental entity involved has processed and resolved public complaints concerning persons subject to review.

## Methodology

The Legislative Program Review and Investigations Committee's sunset review process is divided into three phases. The initial phase focuses on collecting quantitative and qualitative data related to each entity's background, purpose, powers, duties, costs and accomplishments. Several methods are used by committee members and staff to obtain this information. These include: (1) a review of statutes, transcripts of legislative hearings, entity records (e.g., minutes, complaint files, administrative reports, etc.), and data and statutes of other states; (2) staff observation of meetings held by each entity during the review period; (3) surveys of selected persons and groups associated with each entity; (4) formal and informal interviews of selected individuals serving on, staffing, affected by or knowledgeable about each entity; and (5) testimony received at public hearings.

During the second phase, the staff organizes the information into descriptive packages and presents it to the committee. The presentations take place in public sessions designed to prepare committee members for the hearings, identify options for exploration and alert entity officials to the issues the committee will pursue at the hearings.

The final step of the review involves committee members and staff following up on and clarifying issues raised at briefings and public hearings. During this period, the staff prepares decision papers and presents recommendations to the committee. The committee, in public sessions, then debates and votes upon recommendations for the continuation, termination or modification of each entity.

## BACKGROUND

### Legislative History

The Energy Advisory Board was established along with the Connecticut Energy Agency in 1974 as part of the state's overall response to the 1973 energy crisis (P.A. 285). The board was designed to be an independent entity with membership drawn from the executive and legislative branches of government, the energy industry, utilities and the general public. The intent was to have a body free from day-to-day responsibilities and able to focus on long-range energy problems.

The board's purpose was to obtain facts about the state's energy supplies and demands, make projections and develop recommendations for keeping supplies and demands in balance. This information was to be contained in an annual report to the governor and the General Assembly. All staff services required by the board were to be provided by the Connecticut Energy Agency on an as needed basis.

The only significant change affecting the Energy Advisory Board prior to the 1982 session of the General Assembly occurred in 1976. Public Act 337 increased the size of the board from 13 to 14 members by adding the chairperson of the Power Facility Evaluation Council (now the Connecticut Siting Council) to the board. The 1976 act also stipulated that one of the four gubernatorial appointees to the board be a representative of organized labor.

In 1982 the General Assembly significantly changed the statutory role of the Energy Advisory Board. Under P.A. 222 the board's stated purpose shifted from providing facts on energy supply and demand to reviewing energy reports prepared by and for the secretary of the Office of Policy and Management, making recommendations for balancing energy supplies and demands, and monitoring the implementation of the state's energy policy.

Since passage of the 1974 Energy Conservation and Use Act (P.A. 285) there have been two major organizational changes in the agency to which the Energy Advisory Board is closely tied. First, in 1975 the Connecticut Energy Agency was elevated in status and renamed the Department of Planning and Energy Policy (P.A. 537). Then in 1977, under the Executive Reorganization Act (P.A. 614), the department became an operating division within the Office of Policy and Management.

## Structure

The Energy Advisory Board is located within the Office of Policy and Management for administrative purposes only. The board is provided staff services by the Office of Policy and Management's Energy Division. The energy board consists of 14 members as follows:

- commissioner of economic development;
- commissioner of environmental protection;
- chairperson of the Connecticut Siting Council;
- chairperson of the Public Utilities Control Authority;
- four members appointed by the governor, at least one of whom shall be a representative of organized labor;
- three members appointed by the president pro tempore of the Senate; and
- three members appointed by the speaker of the house.

## Purpose, Powers and Duties

The purpose of the Energy Advisory Board is to review the state's energy policy and make recommendations to the governor and the General Assembly for keeping energy supplies and demands in balance. To achieve the purpose for which it was created the board has the following powers and duties:

- to receive and review the report prepared by the secretary of the Office of Policy and Management that summarizes the energy reviews written by selected state agencies in response to Section 16a-35m of the Connecticut General Statutes and the comments received at hearings related to the reviews;
- to submit a report to the governor and the General Assembly in each odd-numbered year addressing the state's energy situation including recommendations for bringing energy supply and demand into balance by conserving energy, reducing or controlling energy demand and developing new or expanded sources of energy;

- to submit a report to the governor and the General Assembly in each even-numbered year assessing the implementation of the recommendations contained in the preceding reports of the board and the secretary of the Office of Policy and Management; and
- to make recommendations and encourage programs aimed at fostering cooperative efforts by and among business, industry, utilities, the academic community and government agencies to develop new sources of energy.

Fiscal Information

The estimated cost of operating the Energy Advisory Board for the 1980-81 and 1981-82 fiscal years is shown in Table II-1. The personnel figures are estimates of the cost of staff services provided to the board by the Office of Policy and Management. Board expenses are based on a \$50 per diem and reimbursement for reasonable expenses that the public members of the board are entitled to claim for each meeting. The amount expended in the category is lower than it could be because many members do not seek payment.

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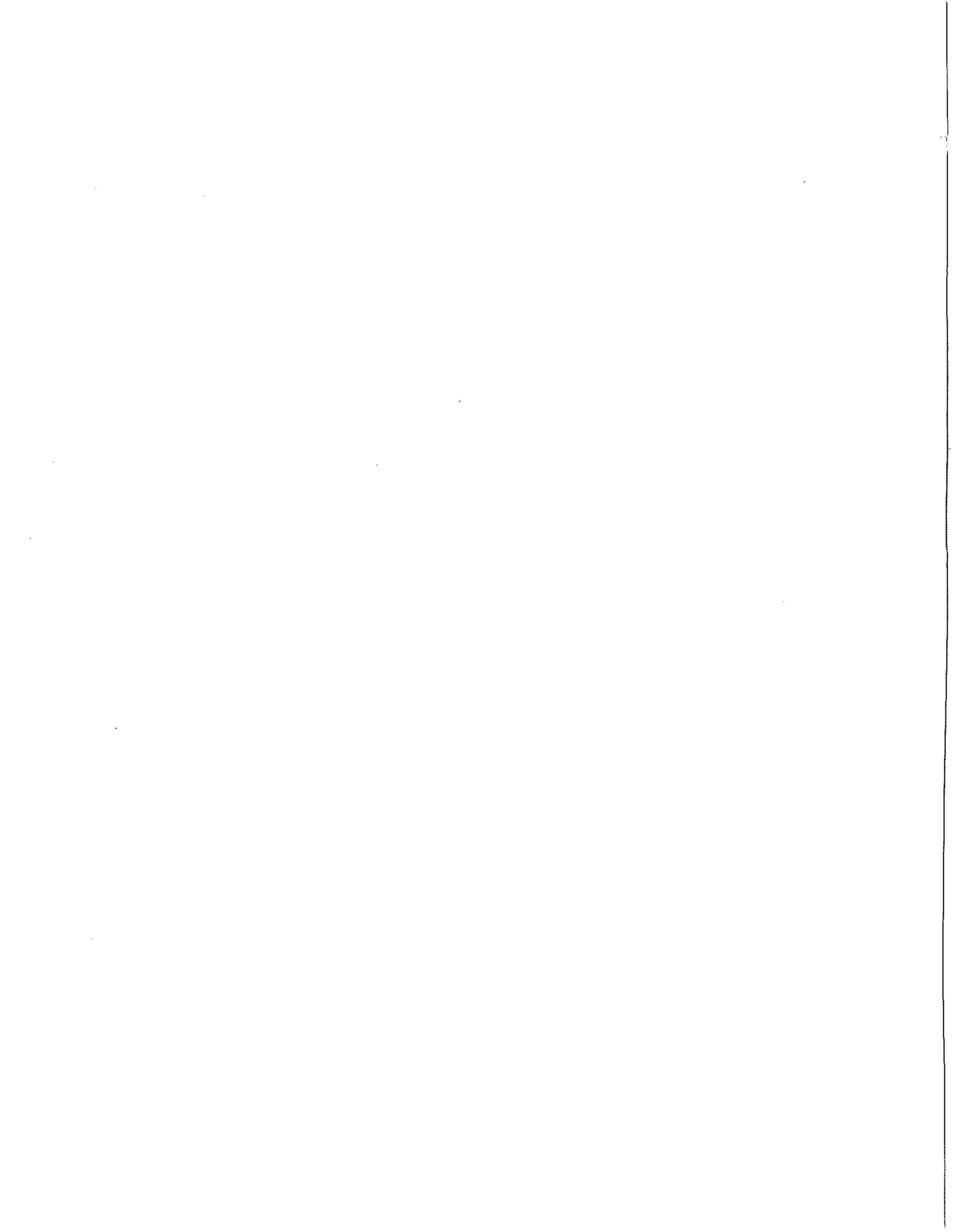
Table II-1. Estimated Expenditures of the Energy Advisory Board.

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<u>Category</u>	<u>FY 1980-81</u>	<u>FY 1981-82</u>
Personnel (professional and clerical)	\$ 8,000	\$ 5,000
Board	1,500	1,500
Report Printing	<u>4,500</u>	<u>1,000</u>
Total	\$14,000	\$ 7,500

Source: Energy Division, Office of Policy and Management.

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## ACTIVITIES

The Energy Advisory Board meets monthly. The meetings are generally held in Hartford at the offices of the Office of Policy and Management's Energy Division. The board had an average attendance of eight members in FY 1980-81 and seven members during FY 1981-82.

Table III-1 contains a classification of items reported in the minutes of meetings held by the board during FY 1980-81 and the first 10 months of FY 81-82. Table III-1 shows the items discussed most frequently fall in the category labeled "Legislation." Much of this discussion centered on state legislative initiatives related to low-income weatherization and fuel assistance programs and efforts to promote energy conservation in multi-family dwellings. The second most frequently cited topic in FY 1980-81 dealt with the energy board's responsibility to produce an annual report. Most of the items in this category related to the format of the report.

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Table III-1. Classification of Items Reported in Minutes of Energy Advisory Board Meeting.

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Fiscal Year	Annual Report	Methods of Balancing			
		Energy Supplies & Demands	New Sources of Energy	Legislation	Other
1980-81	9	4	3	12	6 <sup>2</sup>
1981-82 <sup>1</sup>	2	2	-	6	6 <sup>3</sup>

<sup>1</sup> First 10 months.

<sup>2</sup> Items include board's role (4) and federal energy policy (2).

<sup>3</sup> Items include board's role, activities of the Energy Division and federal energy policy.

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It must be noted the data in Table III-1 do not reflect the length or importance of the board's discussion of any specific item. An analysis of minutes of meetings held during the 22-month period ending in April 1982 reveals the board members spend most of their time discussing energy conservation methods. Little or no time was spent discussing supply and demand inventories or forecasts. The discussions in each of the last two years climaxed in the board's annual report.

The annual report to the governor and the General Assembly is the Energy Advisory Board's major tangible output. Early reports produced by the board focused on energy supplies, demands and projections. Most of the information in the reports was technical and drawn from work performed by consultants or agency staff. Recommendations were generally at a broad policy level such as noting that the state should strive to balance energy consumption among the available fuels or the state should revise its building code to promote conservation. Over time the annual report has shifted in focus toward action-oriented recommendations. This practice culminated in the board's 1982 report that dealt almost exclusively with recommendations.

## ANALYSIS AND RECOMMENDATIONS

The Legislative Program Review and Investigations Committee in studying the Energy Advisory Board focused on assessing the relationship between the original intent of the board, the performance of the board and the state's present need for advice in the energy area.

The program review committee concluded the principal benefit of the Energy Advisory Board is that it provides a forum for representatives of state agencies, business, labor and the public to exchange ideas and formulate energy-related policy recommendations. An analysis of minutes of meetings held over the past two years shows the thrust of the board's activities has been to propose programs aimed at maximizing energy conservation. These activities are consistent with the board's new statutory mandate (P.A. 82-222) to continuously review the state's energy policies and make recommendations for keeping energy supplies and demands in balance.

However, the program review committee found the board in pursuing its mandate operates in an area already served by the Office of Policy and Management's Energy Division and the General Assembly's Energy and Public Utilities Committee. The fact that all three entities are to varying degrees engaged in policy formulation and oversight means there is inherent duplication and overlap of roles. In assessing the interrelationship between the three, it is difficult to determine the contribution of each to the development of energy policy. The problem is two-fold: first, all three entities are frequently advocating similar proposals; and second, other than public hearing testimony and minutes of meetings, there is little or no written documentation to indicate when and how each group was involved in formulating a given policy and how effective its involvement was.

Evaluating the Energy Advisory Board was further complicated for the committee by the low profile the board has maintained. For example, board members or staff have rarely appeared before the Energy and Public Utilities Committee to advocate recommendations contained in the board's reports.

The original intent of the Energy Advisory Board was to provide a mechanism, representative of all interests in the energy field, for obtaining facts and developing energy policy recommendations. However, the program review committee concluded the Office of Policy and Management's Energy Division

and the legislature's Energy and Public Utilities Committee both offer extensive opportunities for the interests represented by the board to participate in the energy policy process. The fact the Energy Advisory Board did not demonstrate that it provides a unique opportunity for participation in the process clearly indicates it can be terminated without harm to the intent surrounding its establishment.

*Therefore, the Legislative Program Review and Investigations Committee recommends the Energy Advisory Board be terminated.*

## APPENDICES



APPENDIX A

ENERGY ADVISORY BOARD

STATUTORY REF: C.G.S. Sec. 16a-3; Sec. 16a-5 through  
Sec. 16a-8

ESTABLISHED: 1974 (P.A. 285)

ORGANIZATIONAL LOCATION: OPM (Administrative Purposes Only)

PURPOSE: To review the state's energy policy and make recommendations to the governor and the General Assembly for keeping energy supplies and demands in balance

POWERS AND DUTIES:

- to receive and review the report prepared by the secretary of the Office of Policy and Management that summarizes the energy reviews written by selected state agencies in response to Section 16a-35m of the Connecticut General Statutes and the comments received at hearings related to the reviews
- to submit a report to the governor and the General Assembly in each odd numbered year which addresses the state's energy situation including recommendations for bringing energy supply and demand into balance by conserving energy, reducing or controlling energy demand and developing new or expanded sources of energy
- to submit a report to the governor and the General Assembly in each even numbered year assessing the implementation of the recommendations contained in the preceding reports of the board and the secretary of the Office of Policy and Management
- to make recommendations and encourage programs aimed at fostering cooperative efforts by and among business, industry, utilities, the academic community and government agencies to develop new sources of energy

BOARD: 14 members including:

- Commissioner of Economic Development
- Commissioner of Environmental Protection
- Chairperson of the Connecticut Siting Council
- Chairperson of the Public Utilities Control Authority
- four members appointed by the governor at least one of whom shall be a representative of organized labor
- three members appointed by the president pro tempore of the senate
- three members appointed by the speaker of the house

STAFF: - Staff services are provided as needed by OPM.

<u>BUDGET:</u>	<u>Category</u>	<u>FY 1980-81</u>	<u>FY 1981-82</u>
	Personnel, professional and clerical	\$8,000	\$5,000
	Board	1,500	1,500
	Report Printing	<u>4,500</u>	<u>1,000</u>
	Total	\$14,000	\$7,500

STATISTICS

	<u>FY 1980-81</u>	<u>FY 1981-82*</u>
Number of Meetings	12	7
Average Attendance	8.3	7

\* Through May of 1982

APPENDIX B

Legislative Changes Needed to Implement  
Legislative Program Review and Investigations Committee  
Recommendations

- Repeal Sections 16a-3, 16a-7 and 16a-8 of the Connecticut General Statutes.
- Amend Section 16a-35m to reflect the Legislative Program Review and Investigations Committee's recommendation to terminate the Energy Advisory Board.

