



House of Representatives

General Assembly

File No. 687

January Session, 2025

Substitute House Bill No. 7206

House of Representatives, April 14, 2025

The Committee on Government Administration and Elections reported through REP. BLUMENTHAL of the 147th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT CONCERNING PROCEEDINGS OF THE SITING COUNCIL
AND OTHER REQUIREMENTS CONCERNING CERTAIN UTILITY
EXPENDITURES.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 16-50n of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2025*):

3 (a) The parties to a certification or amendment proceeding or to a
4 declaratory ruling proceeding shall include: (1) The applicant, certificate
5 holder, or petitioner; (2) each person entitled to receive a copy of the
6 application or resolution under section 16-50l, as amended by this act, if
7 such person has filed with the council a notice of intent to be a party; (3)
8 any domestic or qualified nonprofit corporation or association formed
9 in whole or in part to promote conservation or natural beauty, to protect
10 the environment, personal health or biological values, to preserve
11 historical sites, to promote consumer interests, to represent commercial
12 and industrial groups or to promote the orderly development of the

13 areas in which the facility is to be located, if it has filed with the council
14 a notice of intent to be a party; [and] (4) such other persons as the council
15 may at any time deem appropriate; and (5) the Consumer Counsel, as
16 provided in subsection (b) of this section.

17 (b) The council may permit any person to participate as an intervenor,
18 in accordance with the provisions of section 4-177a, in a certification or
19 amendment proceeding or a declaratory ruling proceeding.
20 Notwithstanding the provisions of section 4-177a, for any proceeding
21 pursuant to section 16-50k concerning a facility described in subdivision
22 (1) of subsection (a) of section 16-50i, the council shall grant any person
23 status as an intervenor in such proceeding if such person: (1) Submits a
24 written petition to the council; and (2) is the owner of any property that
25 abuts the proposed facility, or that abuts a right-of-way in which the
26 proposed facility is to be located. The council shall grant party status to
27 the Consumer Counsel in any proceeding of the council that the
28 Consumer Counsel has determined may significantly impact electric
29 rates, upon the request of the Consumer Counsel to participate.

30 (c) The council in its discretion may provide for the grouping of
31 parties and intervenors with the same interests. If such a group does not
32 designate an agent for the service of notice and documents, the council
33 shall designate such an agent, and notice and documents need be served
34 only on the designated agent. Notwithstanding the provisions of this
35 subsection, any party or intervenor who has been included in a group
36 may, at any time by oral or written notice to the council, elect not to be
37 a member of the group to the extent specified in such notice.

38 (d) The Attorney General shall appoint an assistant attorney general
39 or a special assistant attorney general to act as counsel for the
40 Connecticut Siting Council.

41 (e) Upon receipt of the application, the council may employ one or
42 more independent consultants, at the applicant's expense, to study and
43 measure the consequences of the proposed facility on the environment.
44 The council shall direct such consultant or consultants to study any
45 matter that the council deems important to an adequate appraisal of the

46 application. Any such study and any report issued as a result thereof
47 shall be part of the record of the proceeding.

48 (f) Any person may make a limited appearance at a hearing held
49 pursuant to the provisions of section 16-50m, prior thereto or within
50 thirty days thereafter, entitling such person to file a statement in writing.
51 At the discretion of the council any person may make a limited
52 appearance at any such hearing to present an oral statement under oath.
53 All papers and matters filed by a person making a limited appearance
54 shall become part of the record. No person making a limited
55 appearance, and not otherwise entitled to be a party, shall be a party or
56 shall have the right to cross-examine witnesses, parties or intervenors.

57 Sec. 2. Subsection (a) of section 16-2a of the general statutes is
58 repealed and the following is substituted in lieu thereof (*Effective October*
59 *1, 2025*):

60 (a) There shall be an independent Office of Consumer Counsel,
61 within the Department of Energy and Environmental Protection, for
62 administrative purposes only, to act as the advocate for consumer
63 interests in all matters which may affect Connecticut consumers with
64 respect to public service companies, electric suppliers and certified
65 telecommunications providers, including, but not limited to, rates and
66 related issues, ratepayer-funded programs and matters concerning the
67 reliability, maintenance, operations, infrastructure and quality of
68 service of such companies, suppliers and providers. The Office of
69 Consumer Counsel is authorized to appear in and participate in any
70 regulatory or judicial proceedings, federal or state, in which such
71 interests of Connecticut consumers may be involved, or in which
72 matters affecting utility services rendered or to be rendered in this state
73 may be involved. The Office of Consumer Counsel shall be a party to
74 each contested case before the Public Utilities Regulatory Authority and
75 any proceeding of the Connecticut Siting Council, as described in
76 subsection (b) of section 16-50n, as amended by this act, and shall
77 participate in such cases or proceedings to the extent [it] the Consumer
78 Counsel deems necessary. Said Office of Consumer Counsel may appeal

79 from a decision, order or authorization in any such state regulatory
80 proceeding notwithstanding its failure to appear or participate in said
81 proceeding.

82 Sec. 3. Section 16-50l of the general statutes is amended by adding
83 subsection (i) as follows (*Effective October 1, 2025*):

84 (NEW) (i) Any applicant that submits an initial application under this
85 section for a facility described in subsection (a) of section 16-50i that
86 retains a communicator lobbyist, as defined in section 1-91, for purposes
87 of influencing the public or interested parties concerning such
88 application, shall immediately provide electronic notice of such retainer
89 to (1) the council; (2) the Attorney General; (3) each member of the
90 legislature in whose assembly or senate district the facility or any
91 alternative location listed in the application is to be located; and (4) the
92 chief elected official of the municipality in which any portion of such
93 facility is to be located, both as primarily proposed and in the alternative
94 locations listed, and any adjoining municipality having a boundary not
95 more than two thousand five hundred feet from such facility.

96 Sec. 4. Subdivision (1) of subsection (a) of section 16-50l of the general
97 statutes is repealed and the following is substituted in lieu thereof
98 (*Effective October 1, 2025*):

99 (1) In the case of facilities described in subdivisions (1), (2) and (4) of
100 subsection (a) of section 16-50i: (A) A description, including estimated
101 costs, of the proposed transmission line, substation or switchyard,
102 covering, where applicable underground cable sizes and specifications,
103 overhead tower design and appearance and heights, if any, conductor
104 sizes, and initial and ultimate voltages and capacities; (B) a statement
105 and full explanation of why the proposed transmission line, substation
106 or switchyard is necessary and how the facility conforms to a long-range
107 plan for expansion of the electric power grid serving the state and
108 interconnected utility systems, that will serve the public need for
109 adequate, reliable and economic service; (C) a map of suitable scale of
110 the proposed routing or site, showing details of the rights-of-way or site
111 in the vicinity of settled areas, parks, recreational areas and scenic areas,

112 residential areas, private or public schools, child care centers, as
113 described in section 19a-77, group child care homes, as described in
114 section 19a-77, family child care homes, as described in section 19a-77,
115 licensed youth camps, and public playgrounds and showing existing
116 transmission lines within one mile of the proposed route or site; (D) a
117 justification for adoption of the route or site selected, including
118 comparison with alternative routes or sites which are environmentally,
119 technically and economically practical, and, in the case of a proposed
120 repair, upgrade, replacement or enhancement, detailed studies of
121 alternative solutions to repairing existing electric transmission lines,
122 with consideration of at least one type of electric grid-enhancing
123 technology; (E) a description of the effect of the proposed transmission
124 line, substation or switchyard on the environment, ecology, and scenic,
125 historic and recreational values; (F) a justification for overhead portions,
126 if any, including life-cycle cost studies comparing overhead alternatives
127 with underground alternatives, and effects described in subparagraph
128 (E) of this subdivision of undergrounding; (G) a schedule of dates
129 showing the proposed program of right-of-way or property acquisition,
130 construction, completion and operation and, in the case of any facility
131 described in subdivision (1) of subsection (a) of section 16-50i, or any
132 modification of such a facility, (i) any appraisal completed by an
133 independent appraiser on behalf of the applicant concerning fair
134 compensation that is to be provided to an owner of real property in
135 connection with the necessity of entering a right-of-way, including any
136 easements or land acquisition, and (ii) for property that the applicant
137 does not own, lease or otherwise have access to, the applicant shall
138 exercise due diligence to seek permission to gain access to such
139 property. Evidence of due diligence shall be established by the
140 submission of: (I) Certified mail, return receipt requested, letters sent to
141 the owner or owners of record of such property requesting access to the
142 property; and (II) an affidavit from the applicant stating that the
143 applicant was not provided access to the property and, in the absence of
144 permission to access the property, the applicant made visual inspections
145 of the property to document existing conditions from public rights-of-
146 way, existing utility rights-of-way or other accessible properties within

147 or surrounding the proposed facility site; (H) an identification of each
148 federal, state, regional, district and municipal agency with which
149 proposed route or site reviews have been undertaken, including a copy
150 of each written agency position on such route or site; [and] (I) an
151 assessment of the impact of any electromagnetic fields to be produced
152 by the proposed transmission line; (J) data for the preceding two years,
153 by quarter, regarding the earned and authorized return on equity on
154 related projects subject to the jurisdiction of the council; (K) an estimate
155 of the return on investment for the proposed facility that is the subject
156 of such application, and (L) an estimate of the impact of the proposed
157 transmission line, substation or switchyard on regional network service
158 and local network service rates for electric distribution companies, and
159 accompanying calculations, including any underlying assumptions for
160 such estimate;

161 Sec. 5. Subdivision (3) of subsection (a) of section 16-50l of the general
162 statutes is repealed and the following is substituted in lieu thereof
163 (*Effective October 1, 2025*):

164 (3) In addition to the requirements of subdivisions (1) and (2) of this
165 subsection, in the case of any facility described in subdivision (1) of
166 subsection (a) of section 16-50i, or any modification of such a facility: (A)
167 A description of the estimated initial and life-cycle costs for the facility
168 or modification, as applicable, and for each feasible and practical
169 alternative; (B) an estimate of the regionalized and localized costs for the
170 facility or modification, as applicable, and for each feasible and practical
171 alternative, in accordance with the regional independent system
172 operator's procedure for pool-supported pool transmission facilities
173 cost review, or a successor procedure; (C) for any difference between the
174 estimated total costs and estimated localized costs, an analysis of the
175 benefits associated with such cost difference; (D) not later than thirty
176 days after the filing of the application, a detailed analysis from an
177 independent engineer selected by the council of any nontransmission
178 alternatives to the proposed facility or proposed modification, as
179 applicable; and (E) (i) for the ten-year period preceding the date of the
180 application, the actual loads for existing transmission lines in the area

181 where the proposed [transmission line] facility is to be located, (ii) for
182 the ten-year period following the date of the application, the projected
183 load for any proposed transmission line, (iii) for the ten-year period
184 preceding the date of application, the performance of all electric circuits
185 for existing transmission lines in the area where the proposed
186 transmission line is to be located, including a description of all service
187 outages or disruptions, any cause for such outage or disruption and the
188 time required to restore service following such outages or disruptions,
189 and (iv) a statement of loads and resources, as described in subsection
190 (a) of section 16-50r, and all planning studies conducted by the regional
191 independent system operator or the applicant associated with the
192 proposed facility.

193 Sec. 6. Section 16-19d of the general statutes is repealed and the
194 following is substituted in lieu thereof (*Effective October 1, 2025*):

195 (a) As used in this section:

196 (1) "Advertising" means the commercial use of any media, including,
197 but not limited to, newspaper and all other forms of print, radio, [and]
198 television and Internet, in order to transmit a message to a substantial
199 number of members of the public or customers of a public service
200 company;

201 (2) "Political advertising" means any advertising for the purpose of
202 influencing public opinion with respect to any legislative,
203 administrative or electoral decision or with respect to any controversial
204 issue of public importance;

205 (3) "Institutional advertising" means any advertising which is
206 designed to create, enhance or sustain a public service company's image
207 or good will with regard to the general public or its customers;

208 (4) "Promotional advertising" means any advertising that has the
209 purpose of inducing the public to select or use the service or additional
210 service of a public service company or select or install any appliance or
211 equipment designed to use such service, provided such advertising

212 shall not include advertising authorized by order or regulation of the
213 Public Utilities Regulatory Authority.

214 (b) The cost of political, institutional or promotional advertising of
215 any gas company or electric distribution company and the cost of
216 political or institutional advertising of any telephone company shall not
217 be deemed to be an operating expense in any rate schedule proceedings
218 held pursuant to section 16-19. For the purposes of this section, political,
219 institutional or promotional advertising shall not be deemed to include
220 reasonable expenditures for (1) the publication or distribution of
221 existing or proposed tariffs or rate schedules; (2) notices required by law
222 or regulation; (3) public information regarding service interruptions,
223 safety measures, emergency conditions, employment opportunities or
224 the means by which customers can conserve energy or make efficient
225 and economical use of service; (4) the promotion or marketing of
226 efficient gas and electric equipment which the Public Utilities
227 Regulatory Authority determines: (A) Is consistent with the state's
228 energy policy; (B) is consistent with integrated resource planning
229 principles; (C) provides net economic benefit to such company's
230 customers; and (D) shall not have the primary purpose of promoting
231 one fuel over another; or (5) advertising by a gas company that is
232 necessary as a result of competition created by actions and decisions of
233 the Federal Energy Regulatory Commission and the Public Utilities
234 Regulatory Authority. Such advertising shall be limited to the express
235 purpose of promoting gas companies in competition with other
236 providers and marketers of natural gas. Such advertising shall not
237 include any promotions, cash, equipment, installation or service
238 subsidies for the conversion to natural gas from any other energy
239 source.

240 (c) A public service company shall [make application] apply to the
241 authority for determination that equipment meets the requirements of
242 subdivision (4) of subsection (b) of this section. The authority shall, to
243 the extent practicable, make such determination within one hundred
244 twenty days of such filing. All reasonable and proper expenses, required
245 by the authority and the Office of Consumer Counsel, including, but not

246 limited to, the costs associated with analysis, testing, evaluation and
247 testimony at a public hearing or other proceeding, shall be borne by the
248 company and shall be paid by the company at such times and in such
249 manner as the authority directs.

250 (d) The authority shall not allocate any expenditures made by a gas
251 company pursuant to subdivision (5) of subsection (b) of this section to
252 residential customers in any rate schedule proceedings held pursuant to
253 section 16-19 unless the authority finds that effective competition in the
254 residential gas market already exists.

255 (e) The authority shall adopt regulations to carry out the purposes of
256 subsections (a) and (b) of this section.

257 (f) Each gas or electric distribution company shall conspicuously
258 indicate in all of its advertising whether the costs of the advertising are
259 being paid for by the company's shareholders, its customers or both.

260 Sec. 7. Section 16-243gg of the general statutes is repealed and the
261 following is substituted in lieu thereof (*Effective October 1, 2025*):

262 (a) No electric distribution company, gas company, pipeline
263 company or water company [, as such terms are defined in section 16-
264 1,] shall recover through rates any direct or indirect cost associated with
265 membership, dues, sponsorships or contributions to a business or
266 industry trade association, group or related entity incorporated under
267 Section 501 of the Internal Revenue Code of 1986, or any subsequent
268 corresponding internal revenue code of the United States, as amended
269 from time to time.

270 (b) No electric distribution company, gas company, pipeline
271 company or water company, as such terms are defined in section 16-1,
272 shall recover through rates any direct or indirect cost associated with
273 lobbying or legislative action, as such terms are defined in section 1-91.

274 (c) No electric distribution company, gas company, pipeline
275 company or water company [, as such terms are defined in section 16-
276 1,] shall recover through rates any direct or indirect cost associated with

277 advertising, marketing, communications that seek to influence public
278 opinion or any other related costs identified by the authority, unless
279 such marketing, advertising, communications or related costs are
280 specifically approved or ordered by the authority or the Department of
281 Energy and Environmental Protection.

282 (d) No electric distribution company, gas company, pipeline
283 company or water company [, as such terms are defined in section 16-
284 1.] shall recover through rates any direct or indirect cost associated with
285 (1) travel, lodging or food and beverage expenses for such company's
286 board of directors and officers or the board of directors and officers of
287 such company's parent company; (2) entertainment or gifts; (3) any
288 owned, leased or chartered aircraft for such company's board of
289 directors and officers or the board of directors and officers of such
290 company's parent company; or (4) investor relations.

291 (e) No electric distribution company shall recover through rates any
292 direct or indirect cost associated with (1) promoting the company's
293 application before the Connecticut Siting Council, including, but not
294 limited to, consulting, data and analytics, franking, fundraising, market
295 research, community engagement and Internet web site development,
296 or (2) preparing for a proceeding before the Connecticut Siting Council,
297 including any appeal from a proceeding of the council.

298 [(e)] (f) On or before January 15, 2024, and annually thereafter, each
299 electric distribution company, gas company, pipeline company or water
300 company [, as such terms are defined in section 16-1,] with more than
301 seventy-five thousand customers shall report to the authority an
302 itemized list of costs associated with the activities described in this
303 section and subsection (b) of section 16-243p in a form prescribed by the
304 authority. Such report shall include, but need not be limited to: (1) Any
305 costs spent by the parent company or affiliates of the public service
306 company directly billed or allocated to the public service company; (2)
307 a list of the title, job description and salary of any employees of the
308 public service company who performed work associated with the
309 activities described in this section or in subsection (b) of section 16-243p

310 and the hours attributed to such work; (3) a list of the title, job
311 description and salary of any employees of the parent company or
312 affiliate who performed work associated with the activities described in
313 this section or in subsection (b) of section 16-243p and the hours
314 attributed to such work that were directly billed or allocated to the
315 public service company; (4) an itemized list of costs that the public
316 service company made to all third-party vendors for any expenses
317 associated with the activities described in this section or in subsection
318 (b) of section 16-243p including unredacted billing amounts, billing
319 dates, payees and explanation of the expenditure in detail sufficient to
320 describe the purpose of the cost; and (5) any other itemized information
321 deemed relevant by the authority. No electric distribution company, gas
322 company, pipeline company or water company [, as such terms are
323 defined in section 16-1,] shall recover through rates any costs associated
324 with the preparation of such report.

325 Sec. 8. Subsection (g) of section 16-50j of the general statutes is
326 repealed and the following is substituted in lieu thereof (*Effective October*
327 *1, 2025*):

328 (g) The council shall employ such employees as may be necessary to
329 carry out the provisions of this chapter, and such employees shall, in the
330 aggregate, have sufficient expertise in engineering and financial
331 analysis to carry out the provisions of this chapter, provided the council
332 shall employ at least one employee dedicated to facilitating the
333 engagement of interested parties in a proceeding and providing a plain
334 language summary of proceedings.

335 Sec. 9. Subsection (a) of section 16-245l of the general statutes is
336 repealed and the following is substituted in lieu thereof (*Effective October*
337 *1, 2025*):

338 (a) The Public Utilities Regulatory Authority shall establish, and each
339 electric distribution company shall collect, a systems benefits charge to
340 be imposed against all end use customers of each electric distribution
341 company beginning January 1, 2000. The authority shall hold a hearing
342 that shall be conducted as a contested case in accordance with chapter

343 54 to establish the amount of the systems benefits charge. The authority
344 may revise the systems benefits charge or any element of said charge as
345 the need arises. Commencing on July 1, 2015, and annually thereafter,
346 the sum of two million one hundred thousand dollars shall be
347 transferred from the systems benefits charge to Operation Fuel,
348 Incorporated, for energy assistance, provided two hundred thousand
349 dollars of such sum may be used for administrative purposes. The
350 systems benefits charge shall also be used to fund (1) the expenses of the
351 public education outreach program developed under section 16-244d
352 other than expenses for authority staff, (2) the cost of hardship
353 protection measures under sections 16-262c and 16-262d and other
354 hardship protections, including, but not limited to, electric service bill
355 payment programs, funding and technical support for energy
356 assistance, fuel bank and weatherization programs and weatherization
357 services, (3) the payment program to offset tax losses described in
358 section 12-94d, (4) any sums paid to a resource recovery authority
359 pursuant to subsection (b) of section 16-243e, (5) low income
360 conservation programs approved by the Public Utilities Regulatory
361 Authority, (6) displaced worker protection costs, (7) unfunded storage
362 and disposal costs for spent nuclear fuel generated before January 1,
363 2000, approved by the appropriate regulatory agencies, (8)
364 postretirement safe shutdown and site protection costs that are incurred
365 in preparation for decommissioning, (9) decommissioning fund
366 contributions, (10) costs associated with the Connecticut electric
367 efficiency partner program established pursuant to section 16-243v, (11)
368 reinvestments and investments in energy efficiency programs and
369 technologies pursuant to section 16a-38l, costs associated with the
370 electricity conservation incentive program established pursuant to
371 section 119 of public act 07-242, (12) legal, appraisal and purchase costs
372 of a conservation or land use restriction and other related costs as the
373 authority in its discretion deems appropriate, incurred by a
374 municipality on or before January 1, 2000, to ensure the environmental,
375 recreational and scenic preservation of any reservoir located within this
376 state created by a pump storage hydroelectric generating facility, [and]
377 (13) the residential furnace and boiler replacement program pursuant to

378 subsection (k) of section 16-243v, and (14) costs associated with hiring
379 employees for the Office of the Consumer Counsel to enable the office
380 to participate in proceedings of the Connecticut Siting Council that the
381 Consumer Counsel has determined may significantly impact electric
382 rates. As used in this subsection, "displaced worker protection costs"
383 means the reasonable costs incurred, prior to January 1, 2008, (A) by an
384 electric supplier, exempt wholesale generator, electric company, an
385 operator of a nuclear power generating facility in this state or a
386 generation entity or affiliate arising from the dislocation of any
387 employee other than an officer, provided such dislocation is a result of
388 (i) restructuring of the electric generation market and such dislocation
389 occurs on or after July 1, 1998, or (ii) the closing of a Title IV source or
390 an exempt wholesale generator, as defined in 15 USC 79z-5a, on or after
391 January 1, 2004, as a result of such source's failure to meet requirements
392 imposed as a result of sections 22a-197 and 22a-198 and this section or
393 those Regulations of Connecticut State Agencies adopted by the
394 Department of Energy and Environmental Protection, as amended from
395 time to time, in accordance with Executive Order Number 19, issued on
396 May 17, 2000, and provided further such costs result from either the
397 execution of agreements reached through collective bargaining for
398 union employees or from the company's or entity's or affiliate's
399 programs and policies for nonunion employees, and (B) by an electric
400 distribution company or an exempt wholesale generator arising from
401 the retraining of a former employee of an unaffiliated exempt wholesale
402 generator, which employee was involuntarily dislocated on or after
403 January 1, 2004, from such wholesale generator, except for cause.
404 "Displaced worker protection costs" includes costs incurred or projected
405 for severance, retraining, early retirement, outplacement, coverage for
406 surviving spouse insurance benefits and related expenses.

407 Sec. 10. Subsection (e) of section 16-2a of the general statutes is
408 repealed and the following is substituted in lieu thereof (*Effective October*
409 *1, 2025*):

410 (e) The Consumer Counsel shall hire such staff as necessary to
411 perform the duties of said Office of Consumer Counsel, including, but

412 not limited to, a public utilities engineer, public utilities examiner, staff
 413 attorney and communications and outreach associate, and may employ
 414 from time to time outside consultants knowledgeable in the utility
 415 regulation field including, but not limited to, economists, capital cost
 416 experts, [and] rate design experts and engineers. Any staff hired or
 417 consultant employed to perform the duties associated with the
 418 Consumer Counsel's party status to certain proceedings of the
 419 Connecticut Siting Council shall be funded by the systems benefits
 420 charge imposed under section 16-245l, as amended by this act. The
 421 salaries and qualifications of the individuals so hired shall be
 422 determined by the Commissioner of Administrative Services pursuant
 423 to section 4-40.

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

Section 1	October 1, 2025	16-50n
Sec. 2	October 1, 2025	16-2a(a)
Sec. 3	October 1, 2025	16-50l(i)
Sec. 4	October 1, 2025	16-50l(a)(1)
Sec. 5	October 1, 2025	16-50l(a)(3)
Sec. 6	October 1, 2025	16-19d
Sec. 7	October 1, 2025	16-243gg
Sec. 8	October 1, 2025	16-50j(g)
Sec. 9	October 1, 2025	16-245l(a)
Sec. 10	October 1, 2025	16-2a(e)

Statement of Legislative Commissioners:

In Section 2(a), ", as described in subsection (b) of section 16-50n, as amended by this act" was added for consistency.

GAE *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Consumer Counsel ¹	CC&PUCF - Cost	766,641	516,641

Note: CC&PUCF=Consumer Counsel and Public Utility Control Fund

Municipal Impact: None

Explanation

The bill results in an additional cost to the Office of Consumer Counsel (OCC) of \$766,641 in FY 26 and \$516,641 annually thereafter. The bill requires the Siting Council to make the OCC a party in certain Siting Council proceedings that the OCC determines may significantly impact electric rates. The bill also requires that any OCC staff hired as a party for Siting Council proceedings, be funded by the systems benefit charge.

OCC would require three new full-time staff to complete the expanded duties within the bill. The new positions would include: a Utilities Examiner (annual salary of \$97,141), a Staff Attorney (annual salary of \$97,141), and a Policy Research Analyst (annual salary of \$87,635). The corresponding fringe benefits associated with the new positions would total \$234,724 annually. Additionally, OCC would require \$250,000 in other expenses to conduct the transmission analysis and hire consultants to complete requirements contained within the bill.

¹The fringe benefit costs for employees funded out of other appropriated funds are budgeted within the fringe benefit account of those funds, as opposed to the fringe benefit accounts within the Office of the State Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes for other appropriated fund employees is 83.26% of payroll in FY 26.

The \$250,000 in other expenses would be a one-time cost.

The bill makes other procedural and administrative changes to the Public Utilities Regulatory Authority (PURA) and the Siting Council that are not anticipated to result in a fiscal impact as they have the staff and expertise necessary to implement the changes.

Rate Payer Impact

The rate payer impact of the bill is indeterminate and would be dependent upon decisions made by electric distribution companies (EDC) outside of the immediate scope of the bill.

Costs associated with OCC participation in Siting Council proceedings and discretionary OCC appeals from Siting Council proceedings are both passed on to customers and electric ratepayers, which could increase costs.

The bill also encourages grid enhancing technologies, which can reduce costs to rate payers. Grid enhancing technologies can reduce utility capital investment and reduce distribution system costs, which can be reflected as savings to rate payers. Additionally, grid enhancing technologies lower energy costs and improve the benefits of updating and investing in various capital projects by EDCs.

It is anticipated, that approved projects for grid enhancing technologies, would yield savings to rate payers that would outweigh any additional consulting or capital costs². However, the extent of the savings would be dependent upon the specific project and various EDC decisions, that are outside the immediate scope of the bill.

The bill makes other changes that could yield savings to rate payers, including prohibiting EDCs or gas companies to recover for certain advertising expenses, including internet as well as prohibiting EDCs from recovering the costs of promoting an application before the Siting

² PURA's Decision dated November 9, 2022, Docket No. 17-12-03RE07

Council and preparing for a council proceeding.

The net impact to rate payers is indeterminate and would be dependent upon a variety of decisions that are outside the immediate scope of the bill.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sHB 7206*****AN ACT CONCERNING PROCEEDINGS OF THE SITING COUNCIL
AND OTHER REQUIREMENTS CONCERNING CERTAIN UTILITY
EXPENDITURES.*****SUMMARY**

This bill makes various changes to the energy statutes, primarily related to the Connecticut Siting Council. Among other things, it:

1. requires the Siting Council to grant party status to the consumer counsel in Siting Council proceedings that the consumer counsel determines may significantly impact electric rates (§§ 1 & 2);
2. requires applicants for a Siting Council certification to issue a notice if they retain a lobbyist to influence the public or interested parties about the application (§ 3);
3. expands the types of information that must be included in certain applications to the council (§§ 4 & 5);
4. extends the prohibition on electric distribution company (EDC, i.e. Eversource or United Illuminating) or gas company rate recovery for certain advertising expenses to include Internet ads (§ 6);
5. prohibits EDC rate recovery for the costs of promoting an application before the Siting Council and preparing for a council proceeding (§ 7);
6. requires the Siting Council to employ at least one employee who is dedicated to (1) helping interested parties engage in council proceedings and (2) preparing plain language summaries of proceedings (§ 8); and

7. requires the consumer counsel's staff to have expertise in certain specified areas, and expands the required uses of the systems benefit charge on electric bills to cover funding the costs of Office of Consumer Counsel (OCC) employees participating in Siting Council proceedings that may significantly impact electric rates (§§ 9 & 10).

EFFECTIVE DATE: October 1, 2025

§§ 1 & 2 — SITING COUNCIL PROCEEDINGS

The bill requires the Siting Council, upon the consumer counsel's request, to make the consumer counsel a party in certain Siting Council proceedings that the consumer counsel determines may significantly impact electric rates. More specifically, the requirement applies to the Siting Council's certification, amendment, or declaratory ruling proceedings. The bill correspondingly authorizes the consumer counsel to participate in these proceedings to the extent she deems necessary.

Under current law, when the council receives an application, it may hire independent consultants to study and measure the consequences of a proposed facility on the environment. The bill specifies that the applicant must pay for these consultants. Existing law, unchanged by the bill, already requires that the application fee be used to meet the council's expenses, including for these consultants, and also allows the council to assess the applicant during the proceeding as needed to meet its expenses (CGS § 16-50v).

§ 3 — NOTICE ABOUT LOBBYISTS

The bill creates a notice requirement for when an applicant who submits an initial application for a facility regulated by the Siting Council retains a communicator lobbyist to influence the public or interested parties about the application. It requires the applicant to immediately send electronic notice about the retainer to:

1. the council;
2. the attorney general;

3. each state legislator whose district includes the proposed facility's location, or an alternative location proposed in the application; and
4. the chief elected official of any municipality that (a) includes a portion of the proposed facility's location, both as a primary or alternative location, or (b) has a boundary within 2,500 feet from the proposed facility.

Under the bill, a "communicator lobbyist" is a lobbyist who communicates directly or solicits others to communicate with an official or the official's staff in the legislative or executive branch, or in a quasi-public agency, to influence legislative or administrative action.

§§ 4 & 5 — ADDITIONAL INFORMATION ON CERTAIN APPLICATIONS

Electric Transmission Lines, Fuel Transmission Facilities, and Electric Substations or Switchyards (§ 4)

The law requires applications to the Siting Council for electric transmission lines, certain fuel transmission facilities, or electric substations or switchyards to include certain information, such as their estimated costs, routing maps, and a description of their environmental effect. The bill expands the information required in these applications to include, for a proposed repair, upgrade, replacement, or enhancement, detailed studies of alternative solutions to repairing existing electric transmission lines, with consideration of at least one type of grid-enhancing technology. It also requires these applications to include:

1. quarterly data for the preceding two years on the earned and authorized return on equity of related projects subject to the Siting Council's jurisdiction;
2. an estimate of the proposed facility's return on investment; and
3. an estimate of the proposed facility's impact on regional network service and local network service rates for EDCs, and accompanying calculations, including any underlying

assumptions for the estimate.

Electric Transmission Lines (§ 5)

The law requires applications to the Siting Council for electric transmission lines to include additional information, which under current law includes a detailed analysis of any non-transmission alternatives to the proposed facility or modification. The bill further specifies that this analysis must be (1) from an independent engineer the Siting Council selects and (2) within 30 days after filing the application (presumably, the analysis must be submitted within the 30 day period).

§ 6 — INTERNET ADVERTISING

The law generally prohibits the Public Utilities Regulatory Authority (PURA) from considering a gas, electric distribution, or telephone company's political, institutional, or promotional advertising as part of the company's operating expenses when setting rates (in effect, prohibiting these expenses from being recovered through the company's rates). The bill specifies that this includes Internet advertising. Current law covers advertising on any media, such as newspaper and all other forms of print, radio, and television.

§ 7 — RATE RECOVERY FOR SITING COUNCIL PROCEEDINGS

The bill prohibits EDCs from recovering through their rates any direct or indirect costs associated with (1) promoting the company's application before the Siting Council, including costs for consulting, data and analytics, franking, fundraising, market research, community engagement, and Internet website development, or (2) preparing for a Siting Council proceeding, including an appeal from a council proceeding.

(This provision could conflict with legal standards for utility cost recovery to the extent that it prohibits a company from recovering a cost incurred prudently, efficiently, and economically; for a clear public need and the public necessity and convenience; and due to a statutory mandate (e.g., CGS §§ 16-19 & 16-19e).)

§§ 9 & 10 — CONSUMER COUNSEL STAFF AND SYSTEMS BENEFIT CHARGE

The bill requires the Consumer Counsel's staff to at least include a public utilities engineer, public utilities examiner, staff attorney, and communications and outreach associate. It also allows the consumer counsel to hire rate design engineers as consultants.

The bill requires that the OCC's costs of hiring employees to enable it to participate in Siting Council proceedings be paid for by electric ratepayers through the systems benefit charge on electric bills. By law, unchanged by the bill, each PURA-regulated utility company is assessed an annual fee to pay for its share of PURA, OCC, and Department of Energy and Environmental Protection Bureau of Energy and Technology expenses, among others (CGS § 16-49).

BACKGROUND***Related Bills***

SB 78 (File 95), reported favorably by the Environment Committee, requires the Siting Council's membership to include an elector from the municipality where the proposed facility would be located, in addition to the existing membership.

sHB 7017 (File 556), reported favorably by the Energy and Technology Committee, requires EDCs and incumbent transmission owners to submit project alternatives to the Siting Council when seeking to construct or modify transmission lines, substations, and switchyards that are subject to the council's jurisdiction.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 13 Nay 6 (03/26/2025)