

# Government Administration and Elections Committee

## JOINT FAVORABLE REPORT

**Bill No.:** HB-7206

AN ACT CONCERNING PROCEEDINGS OF THE SITING COUNCIL AND

**Title:** OTHER REQUIREMENTS CONCERNING CERTAIN UTILITY EXPENDITURES.

**Vote Date:** 3/26/2025

**Vote Action:** Joint Favorable Substitute

**PH Date:** 3/14/2025

**File No.:**

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### SPONSORS OF BILL:

Government Administration and Elections Committee  
Rep. Matt Blumenthal, 147<sup>th</sup> Dist.

### REASONS FOR BILL:

There has been a growing concern over the rising cost of energy rates in Connecticut and demand for more transparency within governmental entities. Transmission level spending is one of the many factors that contributes to the increase in energy rates for Connecticut consumers. The state has little control to contain these costs as they are mainly subject to regional operators, but Connecticut can control what projects occur within the state's borders. This bill seeks to make adjustments to current Connecticut Siting Council proceedings and engage the Office of Consumer Counsel to look at the underlying costs for transmission projects.

### SUBSTITUTE LANGUAGE:

The substitute language adds provisions that require Siting Council applicants pay for any independent consultants the council needs the application. This would help lower the ease the financial burden on the Siting Council. It also permits the hiring extra OCC staff and funding them through the systems benefit charge. This would allow the OCC to have the resources and staff it needs to participate in these proceedings.

### RESPONSE FROM ADMINISTRATION/AGENCY:

**Katie Dykes, Commissioner, Department of Energy & Environmental Protection:**

DEEP is supportive of several concepts within the bill. We are mindful of the CSC's jurisdiction over the construction, maintenance, and operation of electric and fuel

transmission lines. We also appreciate CSC's difficult charge of balancing public needs for reliable public utility service at a reasonable cost. We offer the following comments on various sections of the bill:

Section 1 and 2:

Connecting the Office of Consumer Council as an official party to CSC proceedings would require the OCC to have public hearings on petitions and participate as an agency. There is tension between Section 1 and Section 2.

Evaluating transmission line proposals:

We have some suggestions for improving the language: Repair and repairing (lines 117-120) we recommend modifications of existing lines. Grid-enhancing technology (line 120) should be defined explicit or refined. The new language in lines (150-158) could be expanded to require information about project costs such as estimated during various stages of planning and final costs of the project. Having an independent engineer provided a detailed analysis of non-transmission alternatives in lines (173-177) could be expanded to provide more transparency. An independent engineer could identify alternative transmissions for consideration.

Section 4

Needs additional detailed studies on electric transmission line repairs, not upgrades.

Section 5

Needs an analysis by an independent engineer.

Section 6

Internet advertising is not considered an operating expensed that PURA could recover in a rate case.

Section 7

DEEP supports limiting ratepayer costs, but it is essential to ensure information presented at Siting council proceedings makes critical decisions relating to energy infrastructure installed throughout the state. We welcome the opportunity to work with the committee on this language between incentivizing the electric distribution to minimize costs associated with the Siting Council participation.

Section 8

Requiring at least one staff member be dedicated to public engagement would be useful and we support the concept.

**Melanie Bachman, Executive Director, Connecticut Siting Council:**

CSC opposes any proposal that erodes our discretion and increases ratepayer costs. The bill would increase ratepayer costs under the guise of increased public participation.

Section 1

Lines 15-16 and 26-29 are superfluous because lines 3-7 already identifies OCC as a party to CSC proceedings. Under Section 16-50I, OCC receives application copies and exercise its discursion to participate.

Section 2

Lines 73-79 limits OCC party statues to PURA in contested cases, but this bill expands it to any CSC proceedings. These will add cost that will be passed on to telecommunications customers and electric rate payers. It will also delay projects.

Section 4

Lines 117-120: The current language applies to new electric transmission line facilities. Repairing just one on an existing line requires detailed studies of alternative solutions This

could create an incentive to make unnecessary repairs. Repairing and grid-enhancing technologies are not defined. CSC already can employ independent consultants. Lines 150-158: Cost regulation of regional electric transmission is under the Federal Energy Regulatory Commission. Included are regional transmission facility cost allocations.

#### Section 5

Lines 173-174 duplicate the existing authority. CSC already has exclusive jurisdiction to hire independent consultants. Selections are made by RFP which could take 6 months. These lines do not require the detailed analysis authored by an independent engineer. There is already existing language in Stat. 16-50n(e).

#### Section 8

Lines 329-332 contradicts Sections 1 and 2. The sections identify OCC as a party to any CSC proceeding and OCC as the advocate for consumer interests. In 2024 DEEP published its CSC Report and its comprehensive narratives and flow charts detailing procedures to facilitate CSC proceedings.

#### **Clair Coleman, Consumer Council,**

The Office of Consumer Council applauds the efforts to improve oversight of transmission projects. Recently electric bills have increased in Connecticut. One of the reasons behind the increases is increased spending at the transmission level. Transmission improvements lie outside the control of state regulations. The regional transmission operator, ISO New England, reviews reliability and expansion projects and the Federal Energy Regulatory Commission approves the rates to the customers. This legislation will utilize the State Siting Council to review the process. This is usually in two forms, the new transmission projects or greenfield construction and asset condition projects. DEEP recently released transmission white paper details. We agree with Sections 1, 2, 4, and 5 and believe these will strengthen the Siting Council and stakeholder's ability to analyze transmission projects that will likely save ratepayers money. OCC will have added responsibilities and will need more staff and more funding. The additional staff will provide ratepayers a strong return on investment and improvements in the quality of service.

#### **NATURE AND SOURCES OF SUPPORT:**

##### **Andrea & Stephen Ozyck:**

We support the bill and urge modifications to further protect Connecticut communities from the long-term impacts of utility infrastructure projects. We recommend strengthening the language to ensure that projects with harmful consequences are avoided. We are concerned about projects that:

- 1) Require Easements
- 2) Reducing Property Values and Local Tax Revenue
- 3) Hinder Transit-Oriented Development and Business Growth
- 4) Increase Safety Risks in Densely Populated Areas
- 5) Expose Coastal Areas to Amplified Climate Vulnerabilities
- 6) Affect Social Justice Communities
- 7) Threatens Historic and Cultural Resources

We urge the Committee require utility companies prioritize and identify alternatives to minimize community harm. Utility Companies should be required to:

- 1) Evaluate Undergrounding of Transmission Lines
- 2) Assess Grid Enhancing Technologies (GETs)
- 3) Consider Advanced Transmission Technologies

4) Ensure Long-Term Compensation for Affected Communities

The bill should mandate that projects posing these types of risks be pursued at a last resort. It should require an independent engineering review and comprehensive impact studies. These provisions will help prevent unnecessary easements, preserve property values, and protect communities from undue burdens.

**NATURE AND SOURCES OF OPPOSITION:**

**John Vamos, United Illuminating Company:**

UI has serious concerns with many of the proposed changes as they create redundant administrative burdens, expand the scope of the Council and implicate significant jurisdictional issues. In our testimony we offer specific provisions on the Sections 1, 4, and 5. UI requests that the Committee consider our comments on the potential of advancing the bill.

**GENERAL COMMENTS:**

**Kathleen Shanley, Eversource Energy:**

Eversource wants to be an important partner with Connecticut in achieving its clean energy goals. We are unclear as to why the legislative amendments in Sections 1 and 2 are being proposed, because OCC already has the power under the Uniform Administrative Procedure Act. Section 4 is misplaced because this section of the statute only applies to new transmission infrastructure and repairs are not proposed. Repair needs to be defined more clearly. Section 5 does not provide sufficient time for the Siting council to develop and issue an RFP. The first 30 days is for a completeness review. Section 6 is problematic for at least two reasons. The Federal Energy Regulatory Commission has jurisdiction over the recovery of costs and this conflicts with the Federal Power Act of 1935. The proposal also conflicts with other state laws that require an applicant to provide notice when engaging in municipal consultation.

**Reported by: Pamela Bianca**

**Date: April 4, 2025**