

General Assembly

Substitute Bill No. 7206

January Session, 2025

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:

Section 1. Section 16-50n of the general statutes is repealed and the
 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 16-50*i*, 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 proposed facility is to be located. The council shall grant party status to 26 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.

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

(e) Upon receipt of the application, the council may employ one or
more independent consultants, at the applicant's expense, to study and
measure the consequences of the proposed facility on the environment.
The council shall direct such consultant or consultants to study any
matter that the council deems important to an adequate appraisal of the
application. Any such study and any report issued as a result thereof
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 interests in all matters which may affect Connecticut consumers with 63 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 <u>cases or</u> proceedings to the extent [it] <u>the Consumer</u> 78 <u>Counsel</u> 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 16-50*l* 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 or switchyard is necessary and how the facility conforms to a long-range 106 107 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 the proposed routing or site, showing details of the rights-of-way or site 110 111 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, technically and economically practical, and, in the case of a proposed 119 120 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 technology; (E) a description of the effect of the proposed transmission 123 124 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 (E) of this subdivision of undergrounding; (G) a schedule of dates 128 129 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 permission to access the property, the applicant made visual inspections 144 145 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 and local network service rates for electric distribution companies, and 158 159 accompanying calculations, including any underlying assumptions for 160 such estimate;

Sec. 5. Subdivision (3) of subsection (a) of section 16-50*l* of the general
statutes is repealed and the following is substituted in lieu thereof
(*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

for existing transmission lines in the area where the proposed 185 186 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:

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

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

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

(4) "Promotional advertising" means any advertising that has the
purpose of inducing the public to select or use the service or additional
service of a public service company or select or install any appliance or
equipment designed to use such service, provided such advertising
shall not include advertising authorized by order or regulation of the
Public Utilities Regulatory Authority.

(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] <u>apply</u> 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.

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

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

(f) Each gas or electric distribution company shall conspicuously
indicate in all of its advertising whether the costs of the advertising are
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 Section 501 of the Internal Revenue Code of 1986, or any subsequent 267 268 corresponding internal revenue code of the United States, as amended 269 from time to time.

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

(c) No electric distribution company, gas company, pipeline
company or water company [, as such terms are defined in section 161,] shall recover through rates any direct or indirect cost associated with
advertising, marketing, communications that seek to influence public
opinion or any other related costs identified by the authority, unless

such marketing, advertising, communications or related costs arespecifically approved or ordered by the authority or the Department ofEnergy 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.

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

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

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

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

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

may revise the systems benefits charge or any element of said charge as 344 345 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

employees for the Office of the Consumer Counsel to enable the office 379 380 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.

Sec. 10. Subsection (e) of section 16-2a of the general statutes is
repealed and the following is substituted in lieu thereof (*Effective October*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 charge imposed under section 16-245l, as amended by this act. The 420 421 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:		
sections.		
Section 1	October 1, 2025	16-50n
Sec. 2	October 1, 2025	16-2a(a)
Sec. 3	October 1, 2025	16-501(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	16-2451(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.