
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)