

OFFICE OF LEGISLATIVE RESEARCH
PUBLIC ACT SUMMARY



PA 26-123—sHB 5145
Commerce Committee
Public Health Committee

AN ACT REQUIRING THE PUBLIC UTILITIES REGULATORY COMMISSION TO REPORT ON THE REVIEW PROCESS FOR CERTAIN WATER COMPANIES THAT REQUEST TO CEASE OPERATIONS

SUMMARY: The act requires the Public Utilities Regulatory Authority (PURA), in consultation with the Department of Public Health (DPH), to report to the Commerce, Energy and Technology, and Public Health committees by January 15, 2027, on water company cessation requests. More specifically, the report must include a listing of each instance over the past two calendar years in which a water company applied for PURA's or DPH's consent to cease operations or discontinue providing water services.

Under the act, the report must also include:

1. a docket timeline for each application showing the dates of any docket activity;
2. a list of any documents or other materials PURA used in making its decision (such as water quality reports, responses to interrogatories, and written testimony); and
3. any other details on the application's processing that PURA deems appropriate to include.

For this purpose, a "water company" is either:

1. an entity (including different types of corporations and municipalities) that owns, leases, maintains, operates, manages, or controls a pond, lake, reservoir, stream, well, or distributing plant or system to supply water to at least two service connections or 25 people or
2. a deficient well system serving properties within a defined area in which at least 25 people are served by private wells that failed to meet certain potability and service standards (CGS § 16-262n(a)).

The act also requires PURA, by July 1, 2026, to start a docket to adopt regulations requiring the authority to give written instructions informing a water company of the process to request an expedited review of the company's request to cease operations or discontinue providing water services.

EFFECTIVE DATE: Upon passage

BACKGROUND

Water Company Service Cessation

Under existing law, a public service company cannot cease operations

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(including through dissolution or corporate termination) unless PURA consents (CGS § 16-46). (A public service company is generally a utility, including a water company, among others (CGS § 16-1(a)(3)).) Existing law also requires both PURA and DPH to consent before certain water companies, as defined above, cease operations or discontinue water service.