



General Assembly

February Session, 2006

Raised Bill No. 567

LCO No. 2685



Referred to Committee on

**ENERGY & TECHNOLOGY**

Introduced by:

(ET)

**AN ACT CONCERNING NATURAL GAS CONSUMER CHOICE.**

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

- 1 Section 1. (NEW) (*Effective October 1, 2006*) Notwithstanding the
- 2 provisions of the general statutes, not later than January 1, 2007, the
- 3 Department of Public Utility Control shall conduct a contested case
- 4 proceeding to establish a process for allowing residential natural gas
- 5 customers to choose their own natural gas suppliers by not later than
- 6 January 1, 2008. Such process shall provide: (1) For the provision of a
- 7 standard service by the natural gas company franchise for customers
- 8 who do not arrange for their own suppliers, the rate of which shall be
- 9 determined in accordance with the provisions of section 16-19 of the
- 10 general statutes and which shall be reviewed annually in accordance
- 11 with said section 16-19 and modified as necessary; (2) for a prohibition
- 12 on restrictions on choosing a supplier, including, but not limited to,
- 13 switching fees or minimum contract terms with the supplier; (3) that
- 14 gas companies shall purchase the receivables of the unregulated gas
- 15 suppliers when performing consolidated public service company
- 16 billing; and (4) for a customer referral service.

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

Section 1	October 1, 2006	New section
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**Statement of Purpose:**

To direct the Department of Public Utility Control to develop a residential natural gas customer supplier choice program.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*



## Senate

CONNECTICUT STATE LIBRARY  
LEGISLATIVE REFERENCE SECTION

General Assembly

**File No. 162**

February Session, 2006

Substitute Senate Bill No. 567

*Senate, March 28, 2006*

The Committee on Energy and Technology reported through SEN. FONFARA of the 1st Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

### **AN ACT CONCERNING NATURAL GAS CONSUMER CHOICE.**

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

- 1 Section 1. (*Effective from passage*) Not later than September 1, 2006,  
2 the Department of Public Utility Control shall initiate a contested case  
3 proceeding in accordance with the provisions of chapter 54 of the  
4 general statutes to evaluate residential natural gas choice. Said  
5 proceeding shall include, but not be limited to, a consideration of (1)  
6 customer billing and enrollment procedures, (2) purchase of customer  
7 receivables, (3) assignment of capacity, and (4) operational balancing  
8 rules for residential gas customers.

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

Section 1	<i>from passage</i>	New section
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**ET** Joint Favorable Subst.

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The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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***OFA Fiscal Note***

***State Impact:*** None

***Municipal Impact:*** None

***Explanation***

The bill requires that the Department of Public Utility Control (DPUC) initiate a contested case proceeding to evaluate residential natural gas choice. It is anticipated that DPUC will be able to perform the contested case within existing resources.

***The Out Years***

***State Impact:*** None

***Municipal Impact:*** None

1067

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**OLR BILL ANALYSIS**

**SSB 567**

***AN ACT CONCERNING NATURAL GAS CONSUMER CHOICE.***

**SUMMARY:**

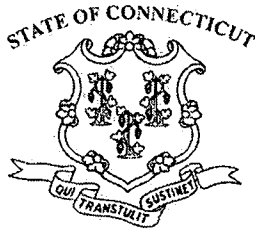
The Office of Legislative Research does not analyze Special Acts.

**COMMITTEE ACTION**

Energy and Technology Committee

Joint Favorable Substitute

Yea 18 Nay 0 (03/14/2006)



General Assembly

**[SENATE] Amendment**

February Session, 2006

LCO No. 4151



Offered by:

SEN. FASANO, 34<sup>th</sup> Dist.

To: Subst. Senate Bill No. 567

File No. 162

Cal. No. 142

**"AN ACT CONCERNING NATURAL GAS CONSUMER CHOICE."**

1 After the last section, add the following and renumber sections and  
2 internal references accordingly:

3 "Sec. 501. Subsection (b) of section 16-50p of the 2006 supplement to  
4 the general statutes is amended by adding subdivision (3) as follows  
5 (*Effective October 1, 2006*):

6 (NEW) (3) When issuing a certificate for a facility described in  
7 subdivision (3) of subsection (a) of section 16-50i of the 2006  
8 supplement to the general statutes, which is designed to operate on  
9 natural gas, in whole or in part, the council shall condition the  
10 certificate on the certificate holder to maintain not less than twenty per  
11 cent of its contracts for natural gas as noninterruptible contracts."

SENATE AMENDMENT

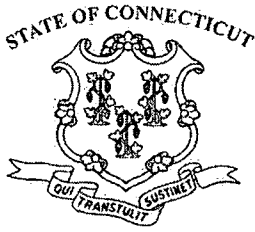
Calendar: 142

LCO: 4151

Bill: 5167

ADOPTED yeas  REJECTED yeas

ADOPTED roll  REJECTED roll



General Assembly

[SENATE] Amendment

February Session, 2006

LCO No. 4168



Offered by:

SEN. FASANO, 34<sup>th</sup> Dist.

To: Subst. Senate Bill No. 567

File No. 162

Cal. No. 142

**"AN ACT CONCERNING NATURAL GAS CONSUMER CHOICE."**

1 After the last section, add the following and renumber sections and  
2 internal references accordingly:

3 "Sec. 501. Subsection (b) of section 16-50p of the 2006 supplement to  
4 the general statutes is amended by adding subdivision (3) as follows  
5 (*Effective October 1, 2006*):

6 (NEW) (3) When issuing a certificate for a facility described in  
7 subdivision (3) of subsection (a) of section 16-50i of the 2006  
8 supplement to the general statutes, which is designed to operate on  
9 natural gas, in whole or in part, the council shall condition the  
10 certificate on the certificate holder to maintain not less than forty per  
11 cent of its contracts for natural gas as noninterruptible contracts."



**SENATE AMENDMENT**

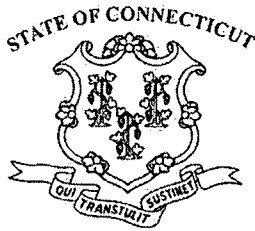
Calendar: 142

LCO: 4168

Bill: 567

ADOPTED voice  REJECTED voice

ADOPTED roll  REJECTED roll



General Assembly

[SENATE] Amendment

February Session, 2006

LCO No. 4249



Offered by:  
SEN. FASANO, 34<sup>th</sup> Dist.

To: Subst. Senate Bill No. 567

File No. 162

Cal. No. 142

**"AN ACT CONCERNING NATURAL GAS CONSUMER CHOICE."**

1 After the last section, add the following and renumber sections and  
2 internal references accordingly:

3 "Sec. 501. Subsection (b) of section 16-50p of the 2006 supplement to  
4 the general statutes is amended by adding subdivision (3) as follows  
5 (*Effective October 1, 2006*):

6 (NEW) (3) When issuing a certificate for a facility described in  
7 subdivision (3) of subsection (a) of section 16-50i of the 2006  
8 supplement to the general statutes, which is designed to operate on  
9 natural gas, in whole or in part, the council shall condition the  
10 certificate on the certificate holder maintaining not less than twenty  
11 per cent of its contracts for natural gas as noninterruptible contracts."

SENATE AMENDMENT

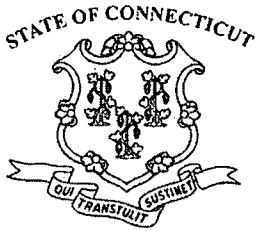
Calendar: 142

LCO: 4249

Bill: 567

ADOPTED voice  REJECTED voice

ADOPTED roll  REJECTED roll



General Assembly

~~(SENATE)~~ Amendment

February Session, 2006

LCO No. 4264



Offered by:

SEN. DELUCA, 32<sup>nd</sup> Dist.  
SEN. CAPPIELLO, 24<sup>th</sup> Dist.  
SEN. COOK, 18<sup>th</sup> Dist.  
SEN. FASANO, 34<sup>th</sup> Dist.  
SEN. FREEDMAN, 26<sup>th</sup> Dist.  
SEN. GUGLIELMO, 35<sup>th</sup> Dist.

SEN. GUNTHER, 21<sup>st</sup> Dist.  
SEN. HERLIHY, 8<sup>th</sup> Dist.  
SEN. KISSEL, 7<sup>th</sup> Dist.  
SEN. MCKINNEY, 28<sup>th</sup> Dist.  
SEN. NICKERSON, 36<sup>th</sup> Dist.  
SEN. RORABACK, 30<sup>th</sup> Dist.

To: Subst. Senate Bill No. 567

File No. 162

Cal. No. 142

**"AN ACT CONCERNING NATURAL GAS CONSUMER CHOICE."**

1 After the last section, add the following and renumber sections and  
2 internal references accordingly:

3 "Sec. 501. Subdivision (1) of subsection (c) of section 12-264 of the  
4 2006 supplement to the general statutes is repealed and the following  
5 is substituted in lieu thereof (*Effective from passage and applicable to*  
6 *quarterly periods commencing on or after July 1, 2006*):

7 (c) (1) Each electric distribution company, as defined in section 16-1,  
8 as amended, providing electric transmission services, as defined in  
9 said section 16-1, as amended, or electric distribution services, as  
10 defined in said section 16-1, as amended, shall pay a quarterly tax  
11 upon its gross earnings in each calendar quarter at the rate of (A)

12 [eight and one-half] six and three-eighths per cent of its gross earnings  
 13 from providing electric transmission services or electric distribution  
 14 services allocable to other than residential service and (B) [six and  
 15 eight-tenths] five and one-tenth per cent of such gross earnings from  
 16 providing electric transmission services or electric distribution services  
 17 allocable to residential service.

18 Sec. 502. Subdivision (1) of subsection (b) of section 12-265 of the  
 19 general statutes is repealed and the following is substituted in lieu  
 20 thereof (*Effective from passage and applicable to quarterly periods*  
 21 *commencing on or after July 1, 2006*):

22 (b) (1) Each company and municipal utility included in section 12-  
 23 264, as amended, other than an electric distribution company, as  
 24 defined in section 16-1, as amended, included in subsection (c) of  
 25 section 12-264, as amended, shall be taxed at the rate of [five] three and  
 26 three-quarters per cent upon the amount of gross earnings in each  
 27 taxable quarter from operations, except as set forth in subsection (c) or  
 28 (d) of this section and except that each company and municipal utility  
 29 manufacturing, selling or distributing gas or electricity to be used for  
 30 light, heat or power shall be taxed at the rate of [four] three per cent  
 31 upon the amount of gross earnings in each taxable quarter allocable to  
 32 residential service, but deduction shall be made of gross earnings (A)  
 33 from all sales for resale of water, steam, gas and electricity to public  
 34 service corporations and municipal utilities, whether or not such  
 35 purchasers are Connecticut public service corporations or Connecticut  
 36 municipal utilities, and whether or not they are subject to the tax  
 37 imposed by this chapter, (B) from any federal BTU energy tax included  
 38 in adjustment clause and base-rate revenues, (C) from sales of  
 39 appliances using water, steam, gas or electricity by each such company  
 40 of the net invoice price plus transportation costs of such appliances,  
 41 (D) of electric and gas companies, as defined in section 16-1, as  
 42 amended, from energy conservation loan programs, (E) from all sales  
 43 for resale of gas to companies registered pursuant to section 16-258a,  
 44 and (F) from all sales of natural gas to a user or entity located outside  
 45 the state."

SENATE AMENDMENT

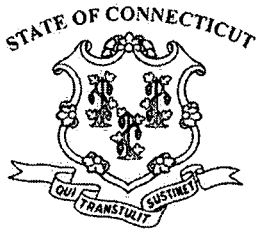
Calendar: 142

LCO: 4264

Bill: 267

ADOPTED voice  REJECTED voice

ADOPTED roll  REJECTED roll



General Assembly

**(SENATE) Amendment**

February Session, 2006

LCO No. 4266



Offered by:

SEN. FASANO, 34<sup>th</sup> Dist.

To: Subst. Senate Bill No. 567

File No. 162

Cal. No. 142

**"AN ACT CONCERNING NATURAL GAS CONSUMER CHOICE."**

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3 "Sec. 501. Subsection (b) of section 16-50p of the 2006 supplement to  
4 the general statutes is amended by adding subdivision (3) as follows  
5 (*Effective October 1, 2006*):

6 (NEW) (3) When issuing a certificate for a facility described in  
7 subdivision (3) of subsection (a) of section 16-50i of the 2006  
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9 natural gas, in whole or in part, the council shall condition the  
10 certificate on the certificate holder maintaining not less than forty per  
11 cent of its contracts for natural gas as noninterruptible contracts."

SENATE AMENDMENT

Calendar: 142  
LCO: 4266  
Bill: 567

ADOPTED voice  REJECTED voice

ADOPTED roll  REJECTED roll