



Senate Bill No. 94

Public Act No. 22-20

AN ACT CONCERNING CERTAIN MODIFICATIONS TO GAS PIPELINE PROCESSES.

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

Section 1. Section 16-7 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

The utility commissioners of the Public Utilities Regulatory Authority, or their designees, while engaged in the performance of their duties may, at all reasonable times, enter any premises, buildings, cars, plants or other places belonging to or controlled by any public service company, [or] electric supplier or person involved in the transportation of gas, as such terms are defined in section 16-280a, and any person obstructing or in any way causing to be obstructed or hindered any utility commissioner of the Public Utilities Regulatory Authority or employee of the Public Utilities Regulatory Authority in the performance of his or her duties shall be fined not more than [two hundred] ten thousand dollars or imprisoned not more than six months, or both.

Sec. 2. Section 16-8 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(a) The Public Utilities Regulatory Authority may, in its discretion,

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delegate its powers, in specific cases, to one or more of its directors or to a hearing officer to ascertain the facts and report thereon to the authority. The authority, or any director thereof, in the performance of its duties or in connection with any hearing, or at the request of any person, corporation, company, town, borough or association, may summon and examine, under oath, such witnesses, and may direct the production of, and examine or cause to be produced and examined, such books, records, vouchers, memoranda, documents, letters, contracts or other papers in relation to the affairs of any public service company or person involved in the transportation of gas, as such terms are defined in section 16-280a, as it may find advisable, and shall have the same powers in reference thereto as are vested in magistrates taking depositions. If any witness objects to testifying or to producing any book or paper on the ground that such testimony, book or paper may tend to incriminate him, and the authority directs such witness to testify or to produce such book or paper, and he complies, or if he is compelled so to do by order of court, he shall not be prosecuted for any matter concerning which he or she has so testified. The fees of witnesses summoned by the authority to appear before it under the provisions of this section, and the fees for summoning witnesses shall be the same as in the Superior Court. All such fees, together with any other expenses authorized by statute, the method of payment of which is not otherwise provided, shall, when taxed by the authority, be paid by the state, through the business office of the authority, in the same manner as court expenses. The authority may designate in specific cases a hearing officer who may be a member of its technical staff or a member of the Connecticut Bar engaged for that purpose under a contract approved by the Secretary of the Office of Policy and Management to hold a hearing and make report thereon to the authority. A hearing officer so designated shall have the same powers as the authority, or any director thereof, to conduct a hearing, except that only a director of the authority shall have the power to grant immunity from prosecution to any witness who objects to testifying or to producing any book or paper on the

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ground that such testimony, book or paper may tend to incriminate him or her.

(b) (1) The authority may employ professional personnel to perform management audits. The authority shall promptly establish such procedures as it deems necessary or desirable to provide for management audits to be performed on a regular or irregular schedule on all or any portion of the operating procedures and any other internal workings of any public service company or person involved in the transportation of gas, as such terms are defined in section 16-280a, including the relationship between any public service company or person involved in the transportation of gas, as such terms are defined in section 16-280a, and a related holding company or subsidiary, consistent with the provisions of section 16-8c, provided no such audit shall be performed on a community antenna television company, except with regard to any noncable communications services which the company may provide, or when (A) such an audit is necessary for the authority to perform its regulatory functions under the Communications Act of 1934, 47 USC 151, et seq., as amended from time to time, other federal law or state law, (B) the cost of such an audit is warranted by a reasonably foreseeable financial, safety or service benefit to subscribers of the company which is the subject of such an audit, and (C) such an audit is restricted to examination of the operating procedures that affect operations within the state.

(2) In any case where the authority determines that an audit is necessary or desirable, it may (A) order the audit to be performed by one of the management audit teams, (B) require the affected company or person to perform the audit utilizing the company's own internal management audit staff as supervised by designated members of the authority's staff or the person's own internal management audit staff as supervised by designated members of the authority's staff, or (C) require that the audit be performed under the supervision of designated

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members of the authority's staff by an independent management consulting firm selected by the authority, in consultation with the affected company or person. If the affected company or person has more than seventy-five thousand customers, such independent management consulting firm shall be of nationally recognized stature. All reasonable and proper expenses of the audits, including, but not limited to, the costs associated with the audit firm's testimony at a public hearing or other proceeding, shall be borne by the affected companies or persons and shall be paid by such companies or persons at such times and in such manner as the authority directs.

(3) For purposes of this section, a complete audit shall consist of (A) a diagnostic review of all functions of the audited company or person, which shall include, but not be limited to, documentation of the operations of the company or person, assessment of the company's system of internal controls or assessment of the person's system of internal controls, and identification of any areas of the company or person which may require subsequent audits, and (B) the performance of subsequent focused audits identified in the diagnostic review and determined necessary by the authority. All audits performed pursuant to this section shall be performed in accordance with generally accepted management audit standards. The authority shall adopt regulations in accordance with the provisions of chapter 54 setting forth such generally accepted management audit standards. Each audit of a community antenna television company shall be consistent with the provisions of the Communications Act of 1934, 47 USC 151, et seq., as amended from time to time, and of any other applicable federal law. The authority shall certify whether a portion of an audit conforms to the provisions of this section and constitutes a portion of a complete audit.

(4) A complete audit of each portion of each gas company or electric distribution company having more than seventy-five thousand customers shall begin no less frequently than every six years, so that a

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complete audit of such a company's operations shall be performed every six years. Such an audit of each such company having more than seventy-five thousand customers shall be updated as required by the authority.

(5) The results of an audit performed pursuant to this section shall be filed with the authority and shall be open to public inspection. Upon completion and review of the audit, if the person or firm performing or supervising the audit determines that any of the operating procedures or any other internal workings of the affected public service company or person involved in the transportation of gas, as such terms are defined in section 16-280a, are inefficient, improvident, unreasonable, negligent or in abuse of discretion, the authority may, after notice and opportunity for a hearing, order the affected public service company or person involved in the transportation of gas, as such terms are defined in section 16-280a, to adopt such new or altered practices and procedures as the authority shall find necessary to promote efficient and adequate service to meet the public convenience and necessity. The authority shall annually submit a report of audits performed pursuant to this section to the joint standing committee of the General Assembly having cognizance of matters relating to public utilities which report shall include the status of audits begun but not yet completed and a summary of the results of audits completed. Any such report may be submitted electronically.

(6) All reasonable and proper costs and expenses, as determined by the authority, of complying with any order of the authority pursuant to this subsection shall be recognized by the authority for all purposes as proper business expenses of the affected company or person.

(7) After notice and hearing, the authority may modify the scope and schedule of a management audit of a telephone company which is subject to an alternative form of regulation so that such audit is consistent with that alternative form of regulation.

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(c) Nothing in this section shall be deemed to interfere or conflict with any powers of the authority or its staff provided elsewhere in the general statutes, including, but not limited to, the provisions of this section and sections 16-7, as amended by this act, 16-28 and 16-32, to conduct an audit, investigation or review of the books, records, [plant] plants and equipment of any regulated public service company or person involved in the transportation of gas, as such terms are defined in section 16-280a.

Sec. 3. Section 16-8a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(a) No public service company, as defined in section 16-1, holding company, as defined in section 16-47, person involved in the transportation of gas, as such terms are defined in section 16-280a, or Nuclear Regulatory Commission licensee operating a nuclear power generating facility in this state, or person, firm, corporation, contractor or subcontractor directly or indirectly providing goods or services to such public service company, holding company, person involved in the transportation of gas or licensee, may take or threaten to take any retaliatory action against an employee for the employee's disclosure of (1) any matter involving the substantial misfeasance, malfeasance or nonfeasance in the management of such public service company, holding company, person involved in the transportation of gas or licensee, or (2) information pursuant to section 31-51m. Any employee found to have knowingly made a false disclosure shall be subject to disciplinary action by the employee's employer, up to and including dismissal.

(b) Any employee of such a public service company, holding company, person involved in the transportation of gas or licensee, or of any person, firm, corporation, contractor or subcontractor directly or indirectly providing goods or services to such a public service company, holding company, person involved in the transportation of gas or

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licensee, having knowledge of any of the following may transmit all facts and information in the employee's possession to the Public Utilities Regulatory Authority: (1) Any matter involving substantial misfeasance, malfeasance or nonfeasance in the management of such public service company, holding company, person involved in the transportation of gas or licensee; or (2) any matter involving retaliatory action or the threat of retaliatory action taken against an employee who has reported the misfeasance, malfeasance or nonfeasance, in the management of such public service company, holding company, person involved in the transportation of gas or licensee. With regard to any matter described in subdivision (1) of this subsection, the authority shall investigate such matter in accordance with the provisions of section 16-8, as amended by this act, and shall not disclose the identity of such employee without the employee's consent unless it determines that such disclosure is unavoidable during the course of the investigation. With regard to any matter described in subdivision (2) of this subsection, the matter shall be handled in accordance with the procedures set forth in subsections (c) and (d) of this section.

(c) (1) Not more than ninety business days after receipt of a written complaint, in a form prescribed by the authority, by an employee alleging the employee's employer has retaliated against an employee in violation of subsection (a) of this section, the authority shall make a preliminary finding in accordance with this subsection.

(2) Not more than five business days after receiving a written complaint, in a form prescribed by the authority, the authority shall notify the employer by certified mail. Such notification shall include a description of the nature of the charges and the substance of any relevant supporting evidence. The employer may submit a written response and both the employer and the employee may present rebuttal statements in the form of affidavits from witnesses and supporting documents and may meet with the authority informally to respond

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verbally about the nature of the employee's charges. The authority shall consider in making its preliminary finding as provided in subdivision (3) of this subsection any such written and verbal responses, including affidavits and supporting documents, received by the authority not more than twenty business days after the employer receives such notice. Any such response received after twenty business days shall be considered by the authority only upon a showing of good cause and at the discretion of the authority. The authority shall make its preliminary finding as provided in subdivision (3) of this subsection based on information described in this subdivision, without a public hearing.

(3) Unless the authority finds by clear and convincing evidence that the adverse employment action was taken for a reason unconnected with the employee's report of substantial misfeasance, malfeasance or nonfeasance, there shall be a rebuttable presumption that an employee was retaliated against in violation of subsection (a) of this section if the authority finds that: (A) The employee had reported substantial misfeasance, malfeasance or nonfeasance in the management of the public service company, holding company, person involved in the transportation of gas or licensee; (B) the employee was subsequently discharged, suspended, demoted or otherwise penalized by having the employee's status of employment changed by the employee's employer; and (C) the subsequent discharge, suspension, demotion or other penalty followed the employee's report closely in time.

(4) If such findings are made, the authority shall issue an order requiring the employer to immediately return the employee to the employee's previous position of employment or an equivalent position pending the completion of the authority's full investigatory proceeding pursuant to subsection (d) of this section.

(d) Not later than thirty days after making a preliminary finding in accordance with the provisions of subsection (c) of this section, the authority shall initiate a full investigatory proceeding in accordance

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with the provisions of section 16-8, as amended by this act, at which time the employer shall have the opportunity to rebut the presumption. The authority may issue orders, impose civil penalties, order payment of back pay or award attorneys' fees in a manner that conforms with the notice and hearing provisions in section 16-41, as amended by this act, against a public service company, holding company, person involved in the transportation of gas or licensee or a person, firm, corporation, contractor or subcontractor directly or indirectly providing goods or services to such public service company, holding company, person involved in the transportation of gas or licensee, in order to enforce the provisions of this section.

(e) If an employee or former employee of such a public service company, holding company, person involved in the transportation of gas or licensee, or of a person, firm, corporation, contractor or subcontractor directly or indirectly providing goods or services to such a public service company, holding company, person involved in the transportation of gas or licensee, having knowledge of any matter involving the substantial misfeasance, malfeasance or nonfeasance in the management of such public service company, holding company, person involved in the transportation of gas or licensee, enters into an agreement with the employee's employer that contains a provision directly or indirectly discouraging the employee from presenting a written complaint or testimony concerning such misfeasance, malfeasance or nonfeasance in any legislative, administrative or judicial proceeding, such provision shall be void as against public policy.

(f) The Public Utilities Regulatory Authority shall adopt regulations, in accordance with chapter 54, to carry out the provisions of this section. Such regulations shall include the following: (1) The procedures by which a complaint may be brought pursuant to subsection (a) of this section; (2) the time period in which such a complaint may be brought; (3) the time period by which the authority shall render a decision

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pursuant to subsection (d) of this section; (4) the form on which written complaints shall be submitted to the authority by an employee pursuant to subsection (c) of this section; and (5) the requirement that a notice be posted in the workplace informing all employees of any public service company, holding company, person involved in the transportation of gas and licensee and of any person, firm, corporation, contractor or subcontractor directly or indirectly providing goods or services to a company or licensee, as defined in subsection (b) of this section, of their rights under this section, including the right to be reinstated in accordance with subsection (c) of this section.

Sec. 4. Section 16-11 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

The Public Utilities Regulatory Authority shall, so far as is practicable, keep fully informed as to the condition of the plant, equipment and manner of operation of all public service companies and persons involved in the transportation of gas, as such terms are defined in section 16-280a, in respect to their adequacy and suitability to accomplish the duties imposed upon such companies by law and in respect to their relation to the safety of the public and of the employees of such companies or persons. The authority may order such reasonable improvements, repairs or alterations in such plant or equipment, or such changes in the manner of operation, as may be reasonably necessary in the public interest. The general purposes of this section and sections 16-19, 16-25, 16-43 and 16-47 are to assure to the state of Connecticut its full powers to regulate its public service companies, to increase the powers of the Public Utilities Regulatory Authority and to promote local control of the public service companies of this state, and said sections shall be so construed as to effectuate these purposes.

Sec. 5. Section 16-16 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

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Each public service company, person involved in the transportation of gas, as such terms are defined in section 16-280a, and electric supplier subject to regulation by the Public Utilities Regulatory Authority shall, in the event of any accident attended with personal injury or involving public safety, which was or may have been connected with or due to the operation of its [or his] property, or caused by contact with the wires of any public service company or electric supplier, notify the authority thereof, by telephone or otherwise, as soon as may be reasonably possible after the occurrence of such accident, unless such accident is a minor accident, as defined by regulations of the authority. Each such person, company or electric supplier shall report such minor accidents to the authority in writing, in summary form, once each month. If notice of such accident, other than a minor accident, is given otherwise than in writing, it shall be confirmed in writing within five days after the occurrence of such accident. Any person, company or electric supplier failing to comply with the provisions of this section shall be fined not more than five hundred dollars for each offense.

Sec. 6. Section 16-41 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(a) Each (1) public service company and its officers, agents and employees, (2) electric supplier or person providing electric generation services without a license in violation of section 16-245, and its officers, agents and employees, (3) certified telecommunications provider or person providing telecommunications services without authorization pursuant to sections 16-247f to 16-247h, inclusive, and its officers, agents and employees, (4) person, public agency or public utility, as such terms are defined in section 16-345, subject to the requirements of chapter 293, (5) person subject to the registration requirements under section 16-258a, (6) cellular mobile telephone carrier, as described in section 16-250b, (7) Connecticut electric efficiency partner, as defined in section 16-243v, (8) company, as defined in section 16-49, [and] (9) entity approved

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to submeter pursuant to section 16-19ff, and (10) person involved in the transportation of gas, as such terms are defined in section 16-280a, shall obey, observe and comply with all applicable provisions of this title and each applicable order made or applicable regulations adopted by the Public Utilities Regulatory Authority by virtue of this title as long as the same remains in force. Any such company, electric supplier, certified telecommunications provider, cellular mobile telephone carrier, Connecticut electric efficiency partner, entity approved to submeter, person, any officer, agent or employee thereof, public agency or public utility which the authority finds has failed to obey or comply with any such provision of this title, order or regulation shall be fined, ordered to pay restitution to customers or ordered to pay a combination of a fine and restitution by order of the authority in accordance with the penalty prescribed for the violated provision of this title or, if no penalty is prescribed, not more than ten thousand dollars for each offense, except that the penalty shall be a fine, restitution to customers or a combination of a fine and restitution of not more than forty thousand dollars for failure to comply with an order of the authority made in accordance with the provisions of section 16-19 or 16-247k or within thirty days of such order or within any specific time period for compliance specified in such order. The authority may direct a portion of any fine levied pursuant to this section to be paid to a nonprofit agency engaged in energy assistance programs named by the authority in its decision or notice of violation. Each distinct violation of any such provision of this title, order or regulation shall be a separate offense and, in case of a continued violation, each day thereof shall be deemed a separate offense. Each such penalty and any interest charged pursuant to subsection (g) or (h) of section 16-49 shall be excluded from operating expenses for purposes of rate-making.

(b) Any regional water authority, any regional water district, any municipal gas or electric plant established under chapter 101, any municipal waterworks system established under chapter 102, or any

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other municipality or department thereof owning, leasing, operating or managing a plant for the supplying or furnishing of any public utility, which the Public Utilities Regulatory Authority finds has failed to comply with the procedures of section 16-29, shall be subject to a civil penalty of not more than five thousand dollars for any annual report which is not submitted or submitted late in violation of said section.

(c) If the authority has reason to believe that a violation has occurred for which a civil penalty is authorized by subsection (a) or (b) of this section, it shall notify the alleged violator by certified mail, return receipt requested, or by personal service. The notice shall include:

- (1) A reference to the sections of the title, regulation or order involved;
- (2) A short and plain statement of the matter asserted or charged;
- (3) A statement of the prescribed civil penalty for the violation; and
- (4) A statement of the person's right to a hearing.

(d) The person to whom the notice is addressed shall have twenty days from the date of receipt of the notice in which to deliver to the authority a written application for a hearing. If a hearing is requested, then, after a hearing and upon a finding that a violation has occurred, the authority may issue a final order assessing a civil penalty under this section which shall not be greater than the maximum penalty [stated in the notice] permitted by law. If a hearing is not requested, or if such a request is later withdrawn, then the notice shall, on the first day after the expiration of the twenty-day period or on the first day after the withdrawal of the request for hearing, whichever is later, become a final order of the authority and the matters asserted or charged in the notice shall be deemed admitted, unless the notice is modified by a consent order before it becomes a final order. A consent order shall be deemed a final order.

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(e) All hearings under this section shall be conducted under sections 4-176e to 4-184, inclusive. The final order of the authority assessing a civil penalty shall be subject to appeal under section 4-183. No challenge to any final order of the authority assessing a civil penalty shall be allowed as to any issue which could have been raised by an appeal of an earlier order of the authority. Any civil penalty authorized by this section shall become due and payable (1) at the time of receipt of a final order in the case of a civil penalty assessed in such order after a hearing, (2) on the first day after the expiration of the period in which a hearing may be requested if no hearing is requested, or (3) on the first day after the withdrawal of a request for hearing.

(f) A civil penalty assessed in a final order of the authority under this section may be enforced in the same manner as a judgment of the Superior Court. The final order shall be delivered to the respondent by personal service or by certified mail, return receipt requested. After entry of such final order, the authority may file a transcript without the payment of costs, in the office of the clerk of the superior court in the judicial district in which the respondent resides, has a place of business, owns real property, or in which any real property which is the subject of the proceedings is located or, if the respondent is not a resident of the state of Connecticut, in the judicial district of Hartford. Upon the filing, the clerk shall docket the order in the same manner and with the same effect as a judgment entered in the superior court within the judicial district. Upon the docketing, the order may be enforced as a judgment of the court.

Sec. 7. Subsection (c) of section 16-280b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(c) The authority may issue a waiver of any federal safety standards or any regulations adopted by the authority pursuant to subsection (b) of this section in individual cases where warranted by local

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circumstances or conditions, consistent with public safety and authorized under the federal act.

Sec. 8. Section 16-280c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

[Each] The federal safety [standard] standards applicable to [pipeline facilities and] the transportation of gas established under the provisions of the federal act, contained in 49 CFR 191 to 49 CFR 193, inclusive, and 49 CFR 199, as the same are, from time to time, made effective, or any regulation adopted by the authority pursuant to subsection (b) or (c) of section 16-280b, as amended by this act, shall be the standards of the state.

Sec. 9. Subsection (a) of section 16-280e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(a) Any person that violates any provision of the federal act, any regulation issued under the federal act, any provision of this chapter or any regulation adopted by the authority pursuant to subsection (b) or (c) of section 16-280b, as amended by this act, shall be subject to a civil penalty not to exceed the higher of the maximum civil penalty provided under 49 USC 60122(a), as amended, or 49 CFR 190.223(a), as amended from time to time.

Sec. 10. (NEW) (*Effective October 1, 2022*) The utility commissioners, as defined in section 16-1 of the general statutes, or their designees, shall have the authority to cause any work performed by any person involved in the transportation of gas, as such terms are defined in section 16-280a of the general statutes, to cease immediately if said work may endanger any person.

Sec. 11. Section 16-354 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

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A person, public agency or public utility responsible for excavating, discharging explosives or demolition shall exercise reasonable care when working in proximity to the underground facilities of any public utility and shall comply with such safety standards and other requirements as the authority shall prescribe by regulations adopted pursuant to section 16-357. If the facilities are likely to be exposed, such support shall be provided as may be reasonably necessary for protection of the facilities. If excavation is within the approximate location of facilities containing combustible or hazardous fluids or gases, only hand digging or soft digging shall be employed. As used in this section, "soft digging" means a nonmechanical and nondestructive process used to excavate and evacuate soils at a controlled rate, using high pressure water or air jet to break up the soil, often in conjunction with a high power vacuum unit to extract the soil without damaging the facilities. In the event that an immediate life-threatening hazard resulting from a wilful violation of this chapter, or of such regulations adopted pursuant to section 16-357, is identified, the utility commissioners, as defined in section 16-1, or their designees, shall immediately notify the person, public agency or public utility responsible for excavating, discharging explosives or demolition of said hazard and violation. Upon receipt of such notification, the person, public agency or public utility responsible for excavating, discharging explosives or demolition shall promptly abate said hazard and violation. In the event that said hazard and violation is not abated in a reasonable time frame, the utility commissioners, or their designees, shall have the authority to cause the excavation, discharge of explosives or demolition to cease immediately until said hazard and violation have been abated.

Sec. 12. Subdivision (1) of subsection (a) of section 8-31c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(a) (1) Wherever the term "regional planning agency" is used in the

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following general statutes, the term "regional council of governments" shall be substituted in lieu thereof; and (2) wherever the term "regional planning agencies" is used in the following general statutes, the term "regional councils of governments" shall be substituted in lieu thereof: 8-35b, 8-35c, 8-164, 8-166, 8-189, 8-336f, 8-384, 13b-38a, 13b-79ll, 16-32f, 16-50l, [16-358,] 16a-28, 16a-35c, 22-26dd, 22a-102, 22a-118, 22a-137, 22a-207, 22a-352, 23-8, 25-33e to 25-33h, inclusive, 25-68d, 25-102qq and 25-233.

Sec. 13. Sections 16-358 and 16-359 of the general statutes are repealed. (*Effective October 1, 2022*)

Approved May 10, 2022