

OFFICE OF FISCAL ANALYSIS

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sHB-5507

AN ACT CONCERNING STATE AGENCY AND COURT PROCEEDINGS RELATING TO ELECTRIC TRANSMISSION LINES.

As Amended by House "A" (LCO 5516), House "B" (LCO 6046)

House Calendar No.: 343

Senate Calendar No.: 485

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
CT Siting Council	SCF - Potential Revenue Gain	Minimal	Minimal
CT Siting Council	SCF - Potential Cost	See Below	See Below

Note: SCF=Siting Council Fund

Municipal Impact:

Municipalities	Effect	FY 25 \$	FY 26 \$
Various Municipalities	Potential Revenue Gain	See Below	See Below

Explanation

The bill alters procedures in the Siting Council's review process to increase municipal participation, include additional considerations, and increase existing reporting requirements for Siting Council approval resulting in the fiscal impacts described below.

Section 2 creates a variety of requirements around the membership and operations of the Connecticut Siting Council (CSC) and results in a potential cost. The amendment shifts existing requirements for municipal participation as ad-hoc members of the Siting Council but does not increase the number of participants, resulting in no fiscal

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impact.

This section also empowers the Siting Council to maintain a staff with the expertise necessary to fulfill their mission resulting in a potential cost to the extent that additional staff are required to meet the provisions of the amendment¹.

Sections 3 and 10 increases the cost of the municipal participation fee for certain applicants from \$25,000 to \$40,000 if the facility is within one municipality and from \$25,000 to \$80,000 if the facility is in more than one municipality with any unused funding returned to the applicant upon completion of the Siting Council process. This results in potential revenue gain to some municipalities to the extent that the additional funding offsets current participation costs.

There is also a potential revenue gain to municipalities beginning in FY 26 to the extent they are awarded funds related to court action.

Section 8 empowers the CSC in certain conditions to impose fines for non-compliance resulting in potential revenue for CSC. The extent of the revenue generated will depend on the number of violations and the restitution and fines imposed.

Section 12 results in no fiscal impact to the state as the Department of Energy and Environmental Protection has federal funding that can be used to hire a consultant to complete a report on the Connecticut Siting Council.

¹ The salary cost of civil engineer would be \$65,473 in FY 25 and FY 26.

Ratepayer Impact Statement²

The bill results in a potential ratepayer impact. The bill creates a variety of additional requirements and considerations for the Siting Council in the normal process. To the extent that the additional considerations result in the relocation of transmission lines or the acquisition of additional property to support relocation, this could increase costs to electric distribution companies that would be recovered through the rate recovery process.

House "A" strikes the underlying bill resulting in the fiscal impacts described above.

House "B" strikes section 3(a) of the underlying bill and requires additional information from the applicant and results in no fiscal impact to the state or municipalities.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and the number of proceedings that are required.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

² The state and municipalities are ratepayers and therefore may be impacted by policy changes that affect electric rates