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RULES OF PRACTICE
ARTICLE 1
GENERAL PROVISIONS

Part 1

Scope and Construction of Rules

Sec. 16-1-1. Procedure governed

These rules govern practice and procedure before the public utilities commission of the state of Connecticut under the applicable laws of the state of Connecticut and except where by statute otherwise provided.

(Effective December 21, 1971)

Sec. 16-1-2. Definitions

As used in sections 16-1-2 to 16-1-133, inclusive, of the Regulations of Connecticut State Agencies:

(1) "Commissioner" means "Commissioner" as defined in section 16-1(2) of the Connecticut General Statutes;

(2) "Contested case" means "Contested case" as defined in section 4-166(2) of the Connecticut General Statutes;

(3) "Department" means the Department of Public Utility Control or its successor;

(4) "E-mail" means electronic mail;

(5) "Electronic" means "electronic" as defined in section 1-267(5) of the Connecticut General Statutes;

(6) "Electronic means" means any method of transmission of information between computers or other machines, other than facsimile machines, designed for the purpose of sending and receiving such transmissions, and which allows the recipient to reproduce the information transmitted in a tangible medium of expression;

(7) "Electronic signature" means "electronic signature" as defined in section 1-267(8) of the Connecticut General Statutes;

(8) "Intervenor" means "intervenor" as defined in section 4-166(5) of the Connecticut General Statutes;

(9) "License" means "license" as defined in section 4-166(6) of the Connecticut General Statutes;

(10) "Party" means "party" as defined in section 4-166(8) of the Connecticut General Statutes;

(11) "Person" means "person" as defined in section 4-166(9) of the Connecticut General Statutes;

(12) "PIN" means personal identification number; and

(13) "Presiding officer" means the commissioner or the hearing officer designated by the head of the department to preside at a hearing.

(Effective December 21, 1971; amended June 11, 2003)

Sec. 16-1-3. Waiver of rules

Where good cause appears the commissioners and any presiding officer may permit deviation from these rules, except where precluded by statute.

(Effective December 21, 1971)

Sec. 16-1-4. Construction and amendment

These rules shall be so construed by the commissioners and any presiding officer as to secure just, speedy and inexpensive determination of the issues presented

hereunder. Amendments and additions to these rules may be adopted by the commissioners by being duly promulgated as orders of the commissioners in accordance with the authority delegated to the commissioners by law.

(Effective December 21, 1971)

Sec. 16-1-5. Computation of time

Computation of any period of time referred to in these rules begins with the first day following that on which the act which initiates such period of time occurs. The last day of the period so computed is to be included unless it is a day on which the office of the commission is closed, in which event the period shall run until the end of the next following business day. When such period of time, with the intervening Saturdays, Sundays and legal holidays counted, is five (5) days or less, the said Saturdays, Sundays and legal holidays shall be excluded from the computation; otherwise such days shall be included in the computation.

(Effective December 21, 1971)

Sec. 16-1-6. Extensions of time

In the discretion of the commissioners or the presiding officer, for good cause shown, any time limit prescribed or allowed by these rules may be extended. All requests for extensions shall be made before the expiration of the period originally prescribed or as previously extended. The executive secretary of the commission shall notify all parties of the commission's action upon such motion.

(Effective December 21, 1971)

Sec. 16-1-7. Effect of filing

The filing with the commission of any application, petition, complaint, request for advisory ruling, or any other filing of any nature whatsoever shall not relieve any person of the obligation to comply with any statute, regulation or order of the commissioners.

(Effective December 21, 1971)

Sec. 16-1-8. Acceptance of filing non-waiver

By accepting the filing of any petition, application, exhibit annex, or document of any kind whatsoever the commission or commissioners shall not have waived any failure to comply with these rules. Where appropriate, the commissioners may require the amendment of any filing.

(Effective December 21, 1971)

Sec. 16-1-9. Consolidation

Proceedings involving related questions of law or fact may be consolidated at the direction of the commissioners.

(Effective December 21, 1971)

Part 2

Formal Requirements

Sec. 16-1-10. Office

The office of the department is located at Ten Franklin Square, New Britain, Connecticut 06051. It is open from 8:30 a.m. to 4:30 p.m. each day except Saturdays, Sundays and legal holidays.

(Effective December 21, 1971; amended June 11, 2003)

Sec. 16-1-11. Date and time of filing

The date and time of filing of each document shall be the date and time by which the department first receives a complete electronic version of the document or the document and the required number of paper copies of such document, provided that such electronic version or paper copies are filed in accordance with section 16-1-14 of the Regulations of Connecticut State Agencies. If payment of a fee is required, a document shall not be deemed filed until the fee is received by the department. If a document is electronically submitted when the offices of the department are not open, such electronic document shall be deemed filed at the time the offices next open. Electronic versions and paper copies of each document shall be filed on the same day or within two business days of each other.

(Effective December 21, 1971; amended June 11, 2003)

Sec. 16-1-12. Electronic web filer registration

(a) Any person may participate in the department web filing system by registering as a "web filer" with the department. Each individual person shall register in his or her own name. Each business, firm, corporation, association, joint stock association, trust, partnership or limited liability company may have an unlimited number of registered web filers.

(b) To register as a web filer, a person shall (1) complete and submit, electronically, a registration form on the department's website "<http://www.state.ct.us/dpuc>", and (2) provide proper identification by facsimile or mail. The registration form shall require the person's name, address, telephone number, and e-mail address, along with a chosen password. A web filer shall be required to provide a chosen PIN if the web filer intends to authorize another person to web file documents on the web filer's behalf. Identification may include copy of a pictured identification card, driver's license, or letterhead stationery. The web filer shall, on the identification, clearly type or print his or her name, phone number and e-mail address, the chosen password and, if applicable, PIN. Once the registration form and identification are accepted by the department, the department shall confirm and activate the registration. The department may at any time issue a new password to any web filer. A web filer may at any time obtain a new password or PIN upon request to the department.

(c) A web filer shall notify the department immediately of any change in any information provided in the web filer's registration. Once registered, a person may withdraw from participation in the department web filing system by providing the department with written notice, which may be submitted electronically. Upon receipt of a withdrawal notice, the department shall immediately cancel the person's password and deactivate the person's registration.

(d) The department shall maintain as confidential records of all passwords and PINs. Each web filer shall maintain as confidential, except as provided in subsection (E) of this section, his or her password and PIN. A web filer, upon learning of the compromise of the confidentiality of any password or PIN, shall immediately notify the department.

(e) No person shall knowingly permit or cause to permit his or her password or PIN to be utilized by anyone other than an authorized employee or agent. If a web filer authorizes another person to file a document on his or her behalf using the user name, password or PIN of the web filer, such web filer shall retain full responsibility for any document filed.

(Effective December 21, 1971; amended June 11, 2003)

Sec. 16-1-13. Signatures

(a) Every application, letter, report, motion, petition, complaint, brief, memorandum or similar document shall be signed by the filing person, by his or her authorized agent or by one or more attorneys in their individual names on behalf of the filing person.

(b) A document shall be deemed to include an electronic signature if such document is filed under the department web filing system with the use of at least one PIN. A document shall be deemed signed by the persons whose names appear in the signature block and whose PINs were used in the filing of such document.

(Effective December 21, 1971; amended June 11, 2003)

Sec. 16-1-14. Formal requirements as to documents filed in proceedings

(a) Definitions.

As used in this section:

(1) "Bulk document" means any paper document that is 50 pages or more in length; and

(2) "Extreme bulk document" means any paper document that is 100 pages or more in length.

(b) **General requirement.** All documents shall be filed with the department in both electronic and paper form. The requirement to file in electronic form is waived for (1) documents available to the filer only in paper form, and (2) filers who are unable to file electronically. The requirement to file in paper form is waived for documents for which no paper form is technically feasible or practical. If the filer submits a corrected version of a filed document, the filer shall also submit the required number of paper copies and a corrected electronic version of such document. This subsection shall not apply to the filing of protected materials.

(c) Place of filing.

(1) Electronic copies may be submitted under the department web filing system via the department's website "<http://www.state.ct.us/dpuc>". If web filing is not possible, electronic copies may be (a) e-mailed to "dpuc.executivesecretary@po.state.ct.us"; or (b) submitted on a diskette, cd-rom or other electronic storage medium acceptable to the department and delivered to the department's executive secretary, at Ten Franklin Square, New Britain, Connecticut 06051.

(2) Paper copies shall be delivered to the Executive Secretary, Department of Public Utility Control, at Ten Franklin Square, New Britain, Connecticut 06051.

(d) Document format.

(1) Each paper copy of a document shall be legible, collated and secured, on three-holed recyclable white paper, and shall not contain any colored paper, or plastic or metal separators.

(2) Each diskette, cd-rom or other electronic storage medium acceptable to the department shall be labeled with the following information: the docket number, if any; the name of the filer; the name of the company if different from the filer; the type of filing; the document format; and the filing date.

(3) Each electronic version of a document shall be formatted to be compatible with the computer programs used by the department and free of defects and viruses. All documents filed electronically shall be capable of being transferred to electronic storage media, without loss of content or material alteration of appearance. Hyperlinks to external websites are permissible; however, a hyperlink is not itself a part of the official filed document and each hyperlink shall contain a text reference to

the target of the link. The department shall make available on its website information regarding compatible computer programs.

(e) **Identification of document.** The front page of each document filed with the department shall prominently display the filer's name, address, telephone number, facsimile number and, if available, e-mail address, as well as the company name if different from the filer. Any document filed in any proceeding to which a docket number has been assigned shall also include the number and title of the docket.

(f) **Bulk documents.** Each bulk and extreme bulk document shall be separately collated and conspicuously labeled as bulk or extreme bulk. The filer shall identify in a cover letter each bulk or extreme bulk document that is being filed.

(g) **Number of copies.** To file a document, the filer shall submit the original document along with one electronic copy and eight paper copies of such document, except that (1) two paper copies shall be required for telecommunications service tariffs filed pursuant to section 16-247f of the Connecticut General Statutes; (2) three paper copies shall be required for bulk documents or applications for certificates of public convenience and necessity for water companies filed pursuant to section 16-262m of the Connecticut General Statutes; (3) one paper copy shall be required for extreme bulk documents, water supply plans required under section 25-32d of the Connecticut General Statutes, or gas supplier registration forms filed pursuant to section 16-258a of the Connecticut General Statutes; or (4) as otherwise required by the department. These copies are required in addition to any copies submitted directly to commissioners, department staff or the office of consumer counsel. This subsection shall not apply to the filing of protected materials.

(Effective December 21, 1971; amended June 11, 2003)

Sec. 16-1-15. Service

(a) **Service list.** The department shall prepare and make available a service list for each docket. Each service list shall (1) contain the name of each party, intervenor, and participant in the docket; (2) contain the names and addresses of the representatives of each party, intervenor, and participant in the docket; (3) indicate whether each party, intervenor, and participant has consented to be served by electronic means pursuant to this section; and (4) provide the e-mail address of every person in the docket who has consented to be served by electronic means.

(b) Service requirements.

(1) Every person shall serve a copy of a filed document to every person on the service list of the proceeding in which the document is filed. This subsection shall not apply to the filing of protected materials.

(2) Each document presented for filing shall contain, in substance, the following certification:

“I certify that a copy (copies) hereof (has)(have) been furnished to (name or names) by (method of service) on (date) . . . ” signature and printed name

(c) Method of service.

(1) Service may be by personal delivery, facsimile, mail, or third-party commercial carrier for delivery no later than three business days from the date of the filing. If a document seeks emergency relief, service of such document on a party or intervenor shall be by a manner at least as expeditious as the manner used to file such document with the department. Personal service includes delivery of the copy to a responsible person at the person's office. Service by facsimile is deemed complete as of the telephonic transfer to the recipient's facsimile machine. Service by mail or by commercial carrier is complete on mailing or delivery to the carrier.

(2) Notwithstanding subdivision (1) of this subsection, service may be made electronically to persons who have consented to be served exclusively by electronic means, as indicated on the appropriate service list.

(d) Consent to service by electronic means.

(1) Any person may consent to be served and to receive documents issued by the department exclusively by electronic means. Such consent shall be given on a form prescribed by the department and shall state that the consenting person (a) consents to be served and to receive documents issued by the department exclusively by electronic means, and (b) agrees to be bound by any orders or requirements contained in any documents received by electronic means in accordance with this subsection. The consenting person shall provide an e-mail address for the purpose of receiving all documents. A consent shall be signed by the consenting person and shall be filed under the department web filing system or submitted non-electronically.

(2) A consent given pursuant to this subsection shall be applicable to all the department's proceedings and remain effective until withdrawn by the consenting person. Any person may at any time withdraw his or her consent by submitting a written notice to the department.

(Effective December 21, 1971; amended June 11, 2003)

ARTICLE 2

CONTESTED CASES

Part 1

Parties, Intervention and Participation

Sec. 16-1-16. Designation of parties

In issuing the notice of hearing the commissioners will name as parties those persons whose legal rights, duties or privileges are being determined in the contested case and any person whose participation as a party is necessary to the proper disposition of such proceeding. All other persons proposing to be named or admitted as parties shall apply for such designation in the manner hereinafter described.

(Effective December 21, 1971)

Sec. 16-1-17. Application to be designated a party

(a) Filing of petition. Any other person who proposes to be named or admitted as a party to any proceeding shall file to written petition to be so designated not later than five (5) days before the date of the hearing of the proceeding as a contested case.

(b) Contents of petition. The petition shall state the name and address of the petitioner. It shall describe the manner in which the petitioner claims to be substantially and specifically affected by the proceeding. It shall state the contention of the petitioner concerning the issue of the proceeding, the relief sought by the petitioner, and the statutory or other authority therefor, and the nature of the evidence, if any, that the petitioner intends to present in the event that the petition is granted.

(c) Designation as party. The commissioners shall consider all such petitions and will name or admit as a party any person whose legal rights, duties or privileges will be determined by the decision of the commissioners after a hearing, if the commissioners find such person is entitled as of right to be a party to said contested case or that the participation of such person as a party is necessary to the proper disposition of said contested case.

(Effective December 21, 1971)

Sec. 16-1-18. Application to be an intervenor

(a) Request to participate. At any time prior to the commencement of oral testimony in any hearing on a contested case any person may request that the presiding officer permit that person to participate in the hearing as an intervenor.

(b) Contents of request. In so requesting, the proposed intervenor shall state the person's name and address and shall describe the manner in which said person is affected by the contested case. The proposed intervenor shall further state in what way and to what extent that person proposes to participate in the hearing.

(c) Designation as intervenor. The presiding officer will determine the proposed intervenor's participation in the hearing, taking into account whether or not such participation will furnish assistance to the commissioners in resolving the issues of the contested case.

(Effective December 21, 1971)

Sec. 16-1-19. Participation by intervenor

The intervenor's participation shall be limited to those particular issues, that state of the proceeding, and that degree of involvement in the presentation of evidence and argument that the presiding officer shall expressly permit at the time such intervention is allowed.

(Effective December 21, 1971)

Sec. 16-1-20. Procedure concerning added parties

(a) During hearing. In addition to the designation of parties in the initial notice and in response to petition, the commissioners may add parties at any time during the pendency of any hearing upon their finding that the legal rights, duties or privileges of any person will be determined by the decision of the commissioners after the hearing or that the participation of such person as a party is necessary to the proper disposition of the contested case.

(b) Notice of designation. In the event that the commissioners name or admit any party after service of the initial notice of hearing in a contested case, the commission shall give written notice thereof to all parties theretofore named or admitted. The form of the notice shall be a copy of the order of the commissioners naming or admitting such added party and a copy of any petition filed by such added party requesting designation as a party. Service of such notice shall be in the manner provided in these rules.

(Effective December 21, 1971)

Sec. 16-1-21. Status of party and of intervenor as party in interest

(a) Party as party in interest. By their decision of a contested case the commissioners shall dispose of the legal rights, duties and privileges of each party named or admitted to the proceeding. Each such party is deemed to be a party in interest who may be aggrieved by any final decision, order or ruling of the commissioners.

(b) Status of intervenor. No grant of leave to participate as an intervenor shall be deemed to be an expression by the commissioners that the person permitted to intervene is a party in interest who may be aggrieved by any final decision, order or ruling of the commissioners unless such grant of leave explicitly so states.

(Effective December 21, 1971)

Part 2**Hearing, General Provisions****Sec. 16-1-22. Grant of hearing**

(a) A hearing will be held in all contested cases and otherwise as the Commissioners may determine in specific investigations of the Commission.

(b) Any public service company which served an average of more than 50,000 customers in the calendar year covered by its most recent annual report to the Public Utilities Commission shall file with the Commission, the Governor of the State of Connecticut and the Chief Executive Officer of every municipality located within its franchise area, a preliminary notice of its intention to file an amended rate schedule proposing an increase in rates not less than thirty (30) days nor more than sixty (60) days prior to the actual filing of such amended rate schedule under Section 16-19 of the General Statutes. The preliminary notice shall state the approximate dollar amount and the approximate percentage of the increase in revenues over existing rates that the proposed amended rate schedule will produce.

(c) Such hearing as is ordered by the Commission for the investigation of proposed amendments to existing rate schedules by any public service company which is required to file a preliminary notice as set forth in Subsection (b) hereof shall not commence earlier than sixty (60) days after the date of the filing of such amendment under Section 16-19 of the General Statutes.

(Effective April 23, 1974)

Sec. 16-1-23. Calendar of hearings

The executive secretary of the commission shall maintain a docket of all proceedings of the commission. The executive secretary shall maintain a hearing calendar of all proceedings that are to receive a hearing. Proceedings shall be placed on the hearing calendar in the order in which the proceedings are listed on the docket of the commission, unless otherwise ordered by the commissioners.

(Effective December 21, 1971)

Sec. 16-1-24. Place of hearings

Unless by statute or by direction of the commissioners a different place is designated, all hearings of the commission shall be held at Hartford at the office of the commission.

(Effective December 21, 1971)

Sec. 16-1-25. Notice of hearings

(a) Persons notified. Except where the commissioners shall otherwise direct, the commission shall give written notice of a hearing in any pending matter to all parties, to all persons who have theretofore become intervenors, to all persons otherwise required by statute to be notified, and to such other persons as have filed with the commission their written request for notice of hearing in a particular matter. Also the commission shall give written notice to such additional persons as the commissioners shall direct. The commission may give notice by newspaper publication and by such other means as the executive secretary shall deem appropriate and advisable.

(b) Contents of notice. Notice of a hearing shall include but shall not be limited to the following: (1) a statement of the time, place and nature of the hearing; (2) a statement of the legal authority and jurisdiction under which the hearing is to be held; (3) a reference to the particular sections of the statutes and regulations involved; (4) a short and plain statement of fact describing the nature of the hearing and the principal facts to be asserted therein. A list of all persons named or known to the commission as parties may be included in the initial notice of hearing given in each contested case, but shall be omitted from any subsequent notice of hearing therein, except where the commissioners shall otherwise direct.

(Effective December 21, 1971)

Sec. 16-1-26. Bill of particulars

The initial notice may be limited to a statement of the issues involved, if the commission is unable to include in the initial notice of the hearing in a contested case other than an application concerning the fixing of rates a detailed statement of the facts to be asserted for the consideration of the commissioners therein. Not later than seven (7) days after service of the initial notice any party may apply to the commission for a bill of particulars containing a more definite and detailed statement of said facts. If the commissioners find that a more definite and detailed statement of such facts is necessary and appropriate, a bill of particulars shall be prepared as directed by the commissioners and a copy served on each person named or admitted as a party on or before the date of service of the bill of particulars.

(Effective December 21, 1971)

Sec. 16-1-27. Effect of initial notice of hearing

Except as otherwise directed by an order of the commissioners, each contested case shall be deemed to have commenced on the date of service of the initial notice of the hearing thereof.

(Effective December 21, 1971)

Sec. 16-1-28. Ex parte communication

Unless required for the disposition of ex parte matters authorized by law, neither the commissioners nor any member of the commission staff designated as a presiding officer shall communicate directly or indirectly with any person or party concerning any issue of fact or law involved in any contested case that has been commenced under these rules, except upon notice and opportunity for all parties to participate. The commission staff member designated as presiding officer and the commissioners may severally communicate with each other ex parte and may have the aid and advice of such members of the commission staff as are designated to assist them in such contested case. This rule shall not be construed to preclude such necessary routine communications as are necessary to permit the commission staff to investigate facts and to audit the applicable records of any party in a contested case at any time before, during and after the hearing thereof. (See Sec. 16-1-27)

(Effective December 21, 1971)

Sec. 16-1-29. Representation of parties and intervenors

Each person making an appearance before the commission as an attorney, agent or representative of any person, firm, corporation or association subject to the commission's regulatory jurisdiction in connection with any contested case shall promptly notify the executive secretary of the commission in writing in order that the same may be made a part of the record of the contested case.

(Effective December 21, 1971)

Sec. 16-1-30. Attorney defined

As used in these rules, the word "attorney" shall mean an attorney at law, duly admitted to practice before the superior court of the state of Connecticut. Any other person who appears before the commission in any contested case shall be deemed to have appeared as the agent or representative of a person, firm, corporation or association and, as such, shall file with the written notification of appearance the written authorization of the person, firm, corporation or association being represented and shall be fully bound to proceed in accordance with these rules in the contested case.

(Effective December 21, 1971)

Sec. 16-1-31. Former commissioners and employees

Except when specially authorized by the commissioners, no person who has served as a commissioner or employee of the commission shall practice or act as attorney, agent or representative in any contested case before the commission or by any means aid in the preparation or prosecution of any such contested case which was pending before the commission while that person was so serving, if such representation or other employment in the contested case does or may involve the disclosure of confidential information acquired while serving as such commissioner or employee of the commission. In all cases except upon individual application and showing that such subsequent employment is not contrary to the public interest, no former commissioner or employee of the commission shall appear before the commission or accept employment in connection with any contested case before the commission within six months after the termination of such employment. The restrictions of this rule are in addition to and are not a limitation upon the provisions of the general statutes and the canons of ethics of any profession.

(Effective December 21, 1971)

Sec. 16-1-32. Rules of conduct

Where applicable, the canons of professional ethics and the canons of judicial ethics adopted and approved by the judges of the superior court govern the conduct of the commissioners, state employees serving the commission, and all attorneys, agents, representatives, and any other persons who shall appear in any proceeding or in any contested case before the commission in behalf of any public or private person, firm, corporation or association.

(Effective December 21, 1971)

Part 3

Hearings, Procedure

Sec. 16-1-33. General provisions

(a) Purpose of hearing. The purpose of the hearing in a contested case shall be to provide to all parties an opportunity to present evidence and argument on all issues to be considered by the commissioners.

(b) Uncontested disposition of case. Unless precluded by law, any contested case may be resolved by stipulation, agreed settlement consent order or default upon order of the commissioners. Upon such disposition a copy of the order of the commissioners shall be served on each party.

(Effective December 21, 1971)

Sec. 16-1-34. Record in contested cases

The record in each contested case shall be maintained by the commission in the custody of the executive secretary and shall include but shall not be limited to the following items. The commission will not be required to set forth as a separate item any of the following which may have been duplicated and incorporated in some other portion of the record:

(a) Any notices, petitions, applications, bill of particulars, complaints, orders, decisions, motions, briefs, exhibits, and any other documents that have been filed with the commission or issued by the commission in written form; (b) all written evidence of any kind received and considered by the commissioners; (c) any questions and offers of proof together with any objections and rulings thereon during

the course of the hearing; (d) any recommended decision, opinion or report submitted in writing to the commissioners by the member of the commission staff designated as the presiding officer at the hearing; (e) the transcript of the hearing.

(Effective April 25, 1974)

Sec. 16-1-35. Witnesses and subpoenas

In the conduct of the hearing of a contested case any commissioner may act in behalf of the commissioners and summon and examine under oath such witnesses in relation to the affairs of any public service company as the commissioners may find advisable. Any commissioner may act in behalf of the commissioners to direct the production and examination of such books, records, vouchers, memoranda, documents, letters, contracts or other papers in relation to the affairs of any public service company as the commissioners may find advisable. The fees of witnesses summoned on behalf of the commissioners to appear before the commissioners or before any presiding officer in the hearing of a contested case, and the fees for summoning such witnesses shall be the same as in the superior court. All such fees, together with any other expenses authorized by statute whose method of payment is not otherwise provided shall be paid through the executive secretary of the commission in the same manner as court expenses. In the event that any witness summoned under this authority objects to testifying or to producing any book or other paper ordered hereunder on the ground that such testimony, book or paper may tend to incriminate said witness, and in the further event that the commissioners or any commissioner directs said witness nevertheless to testify or to produce such book or paper and said witness complies or is compelled to comply by order of the court, then said witness shall not be prosecuted for any matter concerning which he has so testified, as provided in section 16-8 of the general statutes.

(Effective December 21, 1971)

Sec. 16-1-36. Filing of added exhibits

Upon order of any commissioner before, during or after the hearing of a case any party shall prepare and file added exhibits and testimony. Such added exhibits and testimony shall be deemed to be a disclosure by such party pursuant to section 16-8 of the general statutes.

(Effective December 21, 1971)

Sec. 16-1-37. Obstructing hearing

Any person who testifies falsely to any material fact in any contested case wherein he has given oath or affirmation or who wilfully falsifies any account, book, paper, record, report, financial statement, or any other exhibit that is made a part of the record in any contested case with the intent to mislead or deceive the commissioners or presiding officer will be prosecuted as provided in section 16-33 of the general statutes.

(Effective December 21, 1971)

Sec. 16-1-38. Rules of evidence

The following rules of evidence shall be followed in contested cases:

(a) Rules of evidence. Any oral or documentary evidence may be received, but the presiding officer shall, as a matter of policy, exclude irrelevant, immaterial or unduly repetitious evidence. The commissioners or presiding officer shall give effect to the rules of privilege recognized by law in Connecticut. Subject to these requirements and subject to the right of any party to cross examine, any testimony may be received in written form.

(b) Documentary Evidence. Documentary evidence may be received at the discretion of the commissioners or presiding officer in the form of copies or excerpts, if the original is not found readily available. Upon request by any party an opportunity shall be granted to compare the copy with the original, which shall be subject to production by the person offering such copies, subject to the provisions of Section 52-180 of the General Statutes as amended.

(c) Cross examination. Such cross examination may be conducted as the commissioners or the presiding officer shall find to be required for a full and true disclosure of the facts.

(d) Facts noticed, commission records. The commissioners may take notice of judicially cognizable facts, including prior decisions and orders of the commissioners. Any exhibit admitted as evidence by the commissioners of the presiding officer in a prior hearing of a contested case may be offered as evidence in a subsequent contested case and admitted as an exhibit therein; but the commissioners shall not deem such exhibit to be judicially cognizable in whole or in part and shall not consider any facts set forth therein unless such exhibit is duly admitted as evidence in the contested case then being heard.

(e) Facts noticed, procedure. The commissioners may take notice of generally recognized technical or scientific facts within the commission's specialized knowledge. Parties shall be afforded an opportunity to contest the material so noticed by being notified before or during the hearing, by an appropriate reference in preliminary reports or otherwise of the material noticed. This provision shall also apply to material noticed in any staff memoranda or data that may be submitted to the commissioners for their consideration in the determination of the contested case. The commissioners shall nevertheless employ the commission's experience, technical competence, and specialized knowledge in evaluating the evidence presented at the hearing for the purpose of making their finding of facts and arriving at a decision in any contested case.

(Effective April 25, 1974)

Sec. 16-1-39. Order of procedure at hearings

In hearings on complaints, applications, and petitions, the party that shall open and close the presentation of any part of the matter shall be the complainant, applicant, or petitioner. In a case where the opening portion has already been submitted in written form as provided by these rules, the hearing shall open with the cross examination of persons who have given written testimony. In the event any person has given written testimony and is not available for such cross examination at the time and place directed by the commissioners, all of such written testimony may be discarded and removed from the record at the direction of the commissioners.

(Effective December 21, 1971)

Sec. 16-1-40. Limiting number of witnesses

To avoid unnecessary cumulative evidence, the commissioners or the presiding officer may limit the number of witnesses or the time for testimony upon a particular issue in the course of any hearing.

(Effective December 21, 1971)

Sec. 16-1-41. Limitation of direct case in rate hearing

In any proceeding in which a rate change is proposed, the public service company's direct case shall be limited substantially to the statement of application and the exhibits and other materials annexed thereto unless the commissioners or the presid-

ing officer shall rule otherwise for good cause shown. All prepared written testimony filed with the statement of application shall be received in evidence with the same force and effect as though it were stated orally by the witnesses, provided that each such witness shall be present at the hearing at which such prepared written testimony is offered, shall adopt such written testimony under oath, and shall be made available for cross examination as directed by the commissioners or the presiding officer.

(Effective December 21, 1971)

Part 4

Hearings, Decision

Sec. 16-1-42. Filing of proposed findings of facts and briefs

At the conclusion of the presentation of evidence in any hearing the commissioners or the presiding officer shall fix a time within which any party may file proposed findings of facts and briefs.

(Effective December 21, 1971)

Sec. 16-1-43. Final decision

(a) Procedure and contents. All decisions and orders of the commissioners concluding a contested case shall be in writing. The decision shall include all findings of fact and conclusions of law relied upon by the commissioners in arriving at the decision, the findings of fact and law to be separately stated. The findings of fact shall also set forth a concise and explicit statement of the underlying facts supporting the findings of fact, where appropriate. In any contested case where the commissioners or presiding officer have required any party to submit proposed findings of fact, the decision shall further include a ruling by the commissioners on each proposed finding. In the event, however, that such a proposed finding of fact has been submitted by any party without such requirement or order of the commissioners or presiding officer, then the commissioners' decision may omit a ruling on any findings so proposed.

(b) Service. Parties shall be served in the manner herein provided with a copy of the decision and order of the commissioners.

(Effective December 21, 1971)

Sec. 16-1-44. Procedure to submit to parties

Where a majority of the commissioners have not heard a contested case or read the record thereof, any decision adverse to a party other than the commission, itself, shall not be made until such decision is served as a proposed decision upon each of the parties and until each party adversely affected thereby is afforded an opportunity to file exceptions and to present briefs and oral argument to the commissioners. Such proposed decision shall contain a statement of the reasons therefore and of each issue of fact or law necessary to the proposed decision, which statement shall have been prepared by the presiding officer or by a commissioner who has read the record of the hearing. By written stipulation the parties may waive compliance with this section of these rules.

(Effective December 21, 1971)

ARTICLE 3
PETITIONS AND APPLICATIONS

Part 1

Petitions and Applications, General Provisions

Sec. 16-1-45. General rule

Petitions and applications shall include all forms of proposals, requests, applications, petitions, and filings of whatever nature whatsoever that are placed before this commission pursuant to law.

(Effective December 21, 1971)

Sec. 16-1-46. Form

The form to be followed in the filing of petitions and applications hereunder will vary to the extent necessary to provide for the nature of the legal rights, duties or privileges involved therein. Nevertheless, all petitions and applications shall include the following components:

(a) Statement of application. Each petition or application shall incorporate a statement setting forth clearly and concisely the authorization or other relief sought. The statement shall cite by appropriate reference the statutory provision or other authority under which such authorization or relief is to be granted by the commission. In addition to the specific requirements for particular types of petitions and applications that may hereinafter be stated, the statement of application shall further set forth:

(1) The exact legal name of each person seeking the authorization or relief and the address or principal place of business of each such person. If any applicant or petitioner is a corporation, trust association or other organized group, it shall also give the state under the laws of which it was created or organized.

(2) The name, title, address and telephone number of the attorney or other person to whom correspondence or communications in regard to the petition or application are to be addressed. Notice, orders and other papers may be served upon the person so named; and such service shall be deemed to be service upon the petitioner or applicant.

(3) A concise and explicit statement of the facts on which the commission is expected to rely in granting the authorization or other relief sought, including the public convenience and necessity thereof.

(4) An explanation of any unusual circumstances involved in the petition or application, to which the commission will be expected to direct its particular attention, including the existence of emergency conditions or any request for the granting of interlocutory relief by way of an interim order in the proceeding.

(b) Annexed materials. There shall be attached to the petition or application any exhibits, sworn written testimony, data, models, illustrations and all other materials that the petitioner or applicant deems necessary or desirable to support the granting of the petition or application. In addition, such annexed materials shall also include such exhibits, sworn written testimony, and other data that any statute or these rules may require.

(Effective December 21, 1971)

Sec. 16-1-47. Original records

The petitioner or applicant shall furnish and make available for the use of the commission the original books, papers and documents from which any part of the application is derived. If so directed, certified or verified copies shall be furnished

in lieu of such original records. Failure to furnish original records may be ground for rejecting any component and, if appropriate, for refusing the petition or application.
(Effective December 21, 1971)

Sec. 16-1-48. Fees

All application fees or other charges required by law shall be paid to the commission at the time that the application is filed with the commission.
(Effective December 21, 1971)

Sec. 16-1-49. Rejection of petition or application

Where these rules require that specific exhibits or data be prepared and submitted as part of any petition or application, the authority may within thirty (30) days of the filing thereof, after notice and an opportunity to be heard, reject any petition or application or any portion of an application or petition that the authority finds to have failed to comply with criteria for submission of exhibits and data as are set forth in these rules. If in response to and within thirty (30) days of the filing of a petition or application the authority requests additional supporting exhibits or data, such exhibits or data shall be furnished within a reasonable time. For purposes of this provision, thirty (30) days from the date of the request shall be considered a reasonable time except where the data and exhibits requested are unusually complex or, in the aggregate, unusually voluminous. Failure to substantially comply with such request may be considered grounds for rejecting the application or petition or any portion of the application or petition to which such data or exhibits relate, after notice and an opportunity to be heard, notwithstanding that the date of rejection may under such circumstances be more than thirty (30) days after receipt of the petition or application.

(Effective December 6, 1978)

Sec. 16-1-50. Deficiencies in filing

When called to the attention of the petitioner or applicant, all deficiencies in any filed petition or application to the commission must be promptly corrected. If any such deficiency is not promptly corrected in the manner directed by the commission, the petition or application may be denied and rejected for lack of proper submission.

(Effective December 21, 1971)

Sec. 16-1-51. Purpose of application

The petition or application and annexed materials will be treated by the commissioners as a substantially complete statement of the case in chief of the applicant or petitioner.

(Effective December 21, 1971)

Sec. 16-1-52. Additional evidence

The enumeration of required items hereinafter set forth as the minimum evidentiary submission in the following sections shall not preclude the submission of additional evidence hereunder.

(Effective December 21, 1971)

PETITIONS AND APPLICATIONS, SPECIAL PROVISIONS

Part 2

Petitions and Applications, Rate Adjustments

Sec. 16-1-53. General rule

These rules apply to all proceedings, except those proceedings set forth in sections 16-1-59a and 16-1-59b, involving a change in revenue requirements or approval of

adjustments to the schedule of utility rates. Such proceedings include all requests for authority to create or adjust any tariff, rate, rental or charge, or to alter any classification, contract, practice or rule as to result in a different or new tariff, rate, rental or charge, and shall be referred to as rate applications in Sections 16-1-53a through 16-1-59 of the Regulations of Connecticut State Agencies. All of such rate applications shall also comply with the rules hereinabove set forth in part 1 of this article.

(Effective April 12, 1978; amended September 30, 1997)

Sec. 16-1-53a. Standard filing requirements

Any public utility with annual gross revenues in excess of fifty million dollars or fifty thousand or more customers shall complete the standard filing requirements in connection with all applications for any proposed amendment of its existing rates. A copy of the current standard filing requirements is available, upon request by interested parties, at the office of the Executive Secretary of the Department of Public Utility Control, Ten Franklin Square, New Britain, Connecticut 06051.

(Effective October 30, 1978, amended January 14, 1980, June 23, 1982; September 30, 1997)

Sec. 16-1-54. Test year

Regardless of the size of the utility company, in each rate application the test year shall consist of the most recent twelve month period available ending at a calendar quarter. The data presented in any statement concerning any test year shall be limited to the actual income and expenses as determined on the accrual basis during the subject period without adjustment or alteration.

(Effective January 28, 1988; amended September 30, 1997)

Sec. 16-1-55. Requirements for medium utility companies

In addition to the requirements stated in section 16-1-54 of the Regulations of Connecticut State Agencies, each rate application, as defined in section 16-1-53, that is filed by a utility company with revenues in excess of one hundred thousand dollars but less than fifty million dollars, or less than fifty thousand customers, shall contain the following data, either in the statement of application or as exhibits annexed thereto and accompanying the application:

(a) A statement of financial operations for the last four (4) calendar years, the test year, and the pro forma year at present and proposed rates.

(b) Balance sheet for the test year, for the prior three years, and a pro forma year.

(c) Schedule of existing rates and of actual revenues and number of customers by rates and by class for the test year and pro forma at the present and at the proposed rates.

(d) Statement of the proposed increases or changes which will result in adjustments, which rate applicant requests authority to make effective. Such statement shall set forth the proposed rate structure with reasonable clarity and with appropriate rate classifications where applicable, including bill comparisons between old and new rates.

(e) Detailed statement of annualization of revenues by class of customers served by rate applicant at the end of the test year. This will also include the number of customers by class. In the case of water companies this statement will further include the number of hydrants or other items of private fire protection. Where applicable, detail of adjustments to revenues and expenses for degree day data will be included in this statement.

(f) Schedule of utility plant additions for the past three years and for the test year. The schedule shall clearly indicate which plant additions are currently being

employed in furnishing utility service to the customers of the rate applicant on the date of the rate application.

(g) Actual and pro forma expense adjustments with supporting detail set forth by the accounts affected. Such adjustments shall be supported by competent evidence and shall not include estimates based on speculative or conjectural data.

(h) Comparative schedule of operation and maintenance expenses, classified as per utility's chart of accounts for the test year and the prior four years.

(i) Detailed statement of rate case expense.

(j) Rate base and rate of return for the prior four years, the test year, and the pro forma year at present and proposed rates.

(k) Federal income tax calculation for the rate applicant for the test year and for the pro forma year, computed at the present and at the proposed rates.

(l) Calculation of state taxes based on income for the test year and for the pro forma year, computed at both the present and the proposed rates.

(m) Schedule showing claimed property taxes computed at both the present and the proposed tax rates for the test year and for the pro forma year.

(Effective December 21, 1971; amended September 30, 1997)

Sec. 16-1-56. Added requirements for exhibits

Where applicable in any rate application the following components shall be submitted as part of the application:

(a) Map of the utility system showing major facilities. In the case of water utilities this will show the principal water mains by size and will show location of sources of supply, standpipes or storage facilities, and treatment facilities.

(b) Services or commodities provided to associated companies, to which the rate applicant makes payments or receives payments. Such exhibit shall describe in detail the services or commodities provided, give a complete description of the basis for the charges or procedures used in allocating the cost, and furnish a copy of any contracts concerning such services or commodities.

(c) History of dividend coverage and payout the last four years, and a pro forma statement thereof at the present and proposed rates. This is not required where rate applicant is a closely held company or is a subsidiary of another company.

(Effective October 26, 1989; amended September 30, 1997)

Sec. 16-1-57. Combined operations

In any rate application by a utility which has more than one department, district, exchange, or system, the earnings results should be presented for the total utility operations of the company, as well as for any part of such operations for which a proposal is filed pursuant to the criteria set forth in section 16-1-53 of the Regulations of Connecticut State Agencies.

(Effective December 21, 1971; amended September 30, 1997)

Sec. 16-1-58. Amendments

During the first thirty (30) days after the date on which the rate application is filed the applicant may revise the application. If the revision pertains to an amendment to the level of rates or the revenue requirements, then the revised application shall contain a complete revised statement and revised schedules for the proposed increases or changes in the existing rate schedule. In addition, all of the information required by Sections 16-1-53a, 16-1-55, 16-1-56, 16-1-57, and 16-1-59 shall be revised accordingly. After the first thirty (30) days following the date on which the rate application is filed the applicant may not amend or revise the level of rates shown

therein except upon the granting of permission to amend by the commissioners upon motion by the applicant.

(Effective December 21, 1971; amended September 30, 1997)

Sec. 16-1-59. Small utility companies

The following requirements shall apply to rate proceedings and applications of water or sewerage companies whose current annual gross incomes do not exceed \$100,000 per year or who provide service to not more than one thousand customers, hereinafter referred to as small water companies and sewerage companies.

(a) **Components required.** The small water and sewerage company shall not be required to comply with sections 16-1-51 and 16-1-56 in preparing and submitting its rate application as defined in section 16-1-53. However, in addition to the requirements in section 16-1-54, above, the rate applications filed by a small water company or sewerage company shall include the following:

(1) A map that will show the location of the principal water mains by size, all sources of supply, standpipes or storage facilities, and treatment facilities; and a brief description of the system of water supply and distribution of the water company or the system of sewerage collection and treatment of the sewerage company;

(2) The rates the company is presently charging its customers;

(3) The rates the company proposes to charge its customers;

(4) The number of customers served by the applicant company, broken down by classes and presented on such seasonal or annual basis as is appropriate to the business of the company;

(5) Statement of the company's revenues at both the current and the proposed rates by class;

(6) An income statement showing the actual results of the company's operations under the current rates; and

(7) An income statement showing the estimated results of the company's operations based on the proposed rates.

(b) **Additional data.** The small water and sewerage company will be permitted to present any further data, exhibits, and certain written testimony that it deems appropriate to support its application, and may be required to submit any additional information found necessary by the department pursuant to section 16-8 of the General Statutes of Connecticut.

(c) **How components submitted.** All of the components hereinabove listed shall be annexed to the application of the small water or sewerage company and submitted with the application and as a part thereof.

(Effective March 15, 1973; amended September 30, 1997)

Sec. 16-1-59A. Exception

The following requirements shall apply to all tariff filings by telephone companies which do not alter existing rates or charges.

(a) **Components Required.** All tariff filings by telephone companies which do not alter existing rates or charges shall include the following components, where applicable, in place of the components described in Sections 16-1-54 and 16-1-55, in addition to the requirements of Part I of this article.

(1) **Supporting Data.** Each tariff filing must be submitted to the Authority together with sworn testimony on matters of public benefit from the proposed service and cost justification for the proposed rate. The Authority may require such additional data as it deems necessary.

(2) **Effective Date.** Each tariff filing which does not alter existing rates or charges shall include an effective date which shall be no earlier than thirty (30) days after the filing date. Each such tariff filing may be placed into effect by the Company on the proposed effective date subject to the requirements of suspension and hearing under subsections (c) and (d) of this Section and shall be deemed approved by the Authority sixty (60) days thereafter if no action to the contrary is taken by the Authority.

(b) **Notice.** The Authority, by publication and by written notice to those who so request in writing, shall state the name of the Telephone Company, the proposed effective date of the new tariff, shall identify the subject matter of the new tariff, and shall state that the tariff and its supporting testimony and cost study are on file at the office of the Authority for examination by interested parties.

(c) **Hearing.** The Authority may on its own motion, or may upon receipt of a written petition in accordance with Article 3, Part I, order a public hearing on the proposed tariff. Upon suspension of said proposed tariff, a public hearing shall be held no later than thirty (30) days after the proposed effective date and the Authority shall issue its finding and order no later than thirty (30) days after such hearing.

(d) **Suspension or effectiveness of tariff.** If the proposed tariff becomes effective on its proposed effective date in accordance with subsection (a) (2) of this section it shall be subject to appropriate accounting orders to provide for possible refunds, with interest, should the rate ultimately be found unreasonable. Where a petitioner has satisfactorily demonstrated irreparable harm to his business or property should the tariff become effective, or where the Authority has determined unsatisfactory public benefit or the unreasonableness of the proposed rate, the Authority shall suspend the effective date and schedule a hearing in accordance with subsection (c) of this section.

(Effective April 12, 1978)

Sec. 16-1-59B. Exception

(a) The Division of Public Utility Control (DPUC) may allow construction work in progress (CWIP) to be included in rate base for facilities necessary to comply with the federal safe drinking water act (SDWA) and to permit affected water companies to implement a rate surcharge based on such CWIP, under the terms and conditions described below.

CWIP that is included in rate base will be subject to the following conditions:

(1) such surcharge will be implemented and revised on a calendar quarterly basis;

(2) Only actual expenditures will be included on a quarterly basis;

(3) The surcharge to be allowed will be based on 90% of the amount of construction expenditures as of the last date of the particular quarterly period, as confirmed on the project work orders;

(4) The rate of return or equivalent computation used in computing the surcharge will be the same as that allowed in the last rate case computed on a simple interest base and not compounded and the surcharge will include a specific revenue adjustment to offset applicable state and federal taxes payable on the revenues collected pursuant to the surcharge;

(5) Ten percent (10%) of said quarterly construction expenditures will be retained in "allowance for funds used during construction" (AFUDC) and the entire project will be reviewed for efficiency of construction at the time the facility is entered into service as being used and useful and any expenses resulting from inefficiency will be disallowed for regulatory purposes;

(6) Charges arising from the inclusion of construction work in progress in rate base will be allocated across the board on a rate structure basis and will appear as a separate item on the customer's bill until the facility is included in rate base; and

(7) No application for the actual implementation of any such surcharge will be accepted, and no such surcharge will be permitted to be collected, until the primary project has been let, started and is progressing to the point of onsite contractor and crew set-up, and full construction has begun on major elements of the subject facility.

(b) Any water company which is required to construct facilities necessary to enable that company to comply with the SDWA may apply to the DPUC for approval of a surcharge to customers based on the foregoing policy. The requirements set out in this section shall apply to proceedings and applications of water companies for an increase in rates based upon such a surcharge.

(c) (1) The provisions of subsection (a) (7) notwithstanding, any water company may apply to the DPUC for an advance determination that the subject facility meets the DPUC general condition for inclusion in interest base for purposes of such a CWIP-based surcharge, namely that such facility is necessary to enable the company to comply with applicable SDWA provisions, the construction of such facility was precipitated by such SDWA provisions, and such facility constitutes the least costly means of compliance, and has been designed in accordance with efficient and adequate engineering standards.

(2) Any water company applying for such an advance determination of facility qualification shall, no later than 60 days prior to the date such determination is required, submit to the DPUC the following:

(a) A letter of approval of the project plans and drawings from the State Health Department stating that such project is necessary, by applicable reference, for compliance with the SDWA along with a time/expenditure projection for the entire project, and

(b) Evidence that the SDWA precipitated the construction of the facility, and evidence preferably in the form of an engineering study that the company has selected the least costly solutions to meet the SDWA requirements and that efficient and adequate engineering standards have been applied to the design specifications.

(3) The DPUC will make any such requested determination within sixty (60) days following the filing contemplated by subdivision (2) of this subsection provided, that if such a determination has not been made within said 60 day period, the affected facility shall be deemed to have met such general conditions for inclusion and to have so qualified for application of the CWIP surcharge.

(d) Any water company applying for a CWIP-based surcharge shall submit to the DPUC the following:

(1) If not previously submitted, the documentation and evidence listed in subsection (c) (2);

(2) Details of the results of open bidding on the project and final bid prices and the basis for the selection of the contractor(s);

(3) A complete description of the project, broken down by appropriate elements of work and cost, to permit demonstration of the percentage of completion as the work progresses, said description to be updated in each quarterly period when a revision in the amount of the surcharge is requested, with extra work, the basis thereof and associated costs also to be separately described for the applicable quarterly period;

(4) A construction schedule for the entire project indicating appropriate construction phases and estimated start/completion dates for each phase, as available;

(5) A summary of construction expenditures covering the applied for quarterly period as shown on the project work order(s), and broken down into corresponding job element(s) of the construction schedule;

(6) A letter from the company's independent accountant which states that the additions to the CWIP plant account for such facility during the affected quarterly period have been reviewed and found to be in accordance with the applicable uniform system of accounts;

(7) The computation of the total amount of the surcharge showing 90% of the amount shown in subdivisions (5) and (6) above, the rate of return allowed in the applicant company's most recent rate case, and the appropriate revenue adjustments for state and federal taxes; and

(8) The schedule of charges arising from the inclusion of CWIP in the rate base as allocated across the board on a rate structure basis, including a full explanation of the basis for allocation between classes of customers, with any background work papers used.

Subdivisions (1) and (2) need be filed only with the initial filing for a particular project.

(e) Any water company initially applying for a CWIP-based surcharge shall submit to the DPUC all documentation and evidence required in subsection (d) no later than the 20th day of the month following the end of the applicable calendar quarter. The DPUC shall hold a public hearing with respect to such application within 30 days of the filing thereof and shall issue a decision on such application within 60 days of the filing of that application unless the DPUC shall have notified the company that the company has failed to comply with the implementation requirements contained herein or that the DPUC otherwise requires a modification of the proposed surcharge.

(f) After initial implementation of a surcharge, any water company applying for a change in the CWIP-based surcharge with respect to any calendar quarter thereafter shall file with the DPUC on or before the 20th day of the month immediately following the end of said calendar quarter, all documentation and evidence described in subdivisions (3) through (8), inclusive, of subsection (d). The DPUC shall hold a consolidated public hearing with respect to all such quarterly applications on or about the 50th day after the end of each such quarter. The DPUC shall issue a decision on or before the 70th day after the end of such calendar quarter unless prior to such day the DPUC shall have notified the company that the company has failed to comply with the implementation requirements contained herein or that the DPUC otherwise requires a modification of the proposed surcharge.

(g) To the extent not specifically required by the provisions of this section, the requirements of sections 16-1-16 through 16-1-59A of the regulations of Connecticut state agencies shall not be applicable to applications and proceedings pursuant to this section.

(Effective September 10, 1979)

Part 3

Petitions and Applications, Sec. 16-43, Gen. Stat.

Sec. 16-1-60.

Transferred to § 16-43-1, August 23, 2000.

Sec. 16-1-61.

Transferred to § 16-43-2, August 23, 2000.

Part 4

Petitions and Applications, Sec. 16-46, Gen. Stat.

Sec. 16-1-62.

Transferred to § 16-46-1, August 23, 2000.

Sec. 16-1-63.

Transferred to § 16-46-2, August 23, 2000.

Part 5

Petitions and Applications, Sec. 16-47, Gen. Stat.

Sec. 16-1-64.

Transferred to § 16-47-1, August 23, 2000.

Sec. 16-1-65.

Transferred to § 16-47-2, August 23, 2000.

Holding Company Applications

Sec. 16-1-65A.

Transferred to § 16-47-3, August 23, 2000.

Sec. 16-1-65B.

Transferred to § 16-47-4, August 23, 2000.

Sec. 16-1-65C.

Transferred to § 16-47-5, August 23, 2000.

Part 6

Petitions and Applications, Railroads

Sec. 16-1-66. General rule

These rules apply to all proceedings seeking the approval by the commissioners under authority of chapters 278, 279, and 280 of the general statutes.

(Effective December 21, 1971)

Sec. 16-1-67. Special components

In addition to the requirements hereinabove set forth in part 1 of this article each application for the approval of the commissioners under chapters 278, 279 and 280 of the general statutes shall contain the following data, either in the statement of application or as exhibits annexed thereto and accompanying the application:

(a) If such application is for an approval for any purpose connected with the temporary or permanent layout, construction, completion, extension, alteration, improvement or removal of any railroad, depot, or any other structure, fixture, or facility of any description whatsoever that is accessory to any operation conducted by the railroad company, then there shall be annexed to the application:

(1) All agreements and other instruments permitting or otherwise authorizing the implementation of the purpose for which said approval is sought.

(2) Plan of the proposed work hereinabove described, which plan shall have been prepared in accordance with the standards and specifications of the American Railway Engineering Association.

(3) Statement setting forth evidence of applicant's compliance with the insurance requirements established by the railroad company for said work.

(b) If such petition or application is for any purpose set forth in general statutes sections 16-103, 16-104, 16-109, 16-113, 16-114, 16-117, 16-134, 16-135, 16-136, 16-137, 16-138, or 16-139, then the petitioner or applicant shall annex to the application:

(1) Statement describing in detail the location of the site that is the subject of the petition or application.

(2) Where applicable, any plan, engineer's drawing, or plot plan necessary to describe the proposal that is the subject of the petition or application. Any plan for work on any portion of the railroad or any facility connected with the operation thereof shall conform to the standards and specifications of the American Railway Engineering Association.

(3) Where applicable, an itemized statement of the cost of implementing the proposal in the event that approval is granted by the commissioners.

(Effective December 21, 1971)

Sec. 16-1-68. Other applications and petitions

If a hearing is requested concerning any order or directive of the commission under any part of the general statutes chapters 278, 279 and 280 and with particular reference to sections 16-52, 16-56, 16-59a, 16-61, 16-63, 16-64, 16-65, 16-66, 16-121, 16-122, 16-123, 16-124 16-125, 16-126, 16-127 and 16-150, then the railroad company or any other person affected by such order or directive shall proceed by filing a request for relief in the form of a statement of application and shall otherwise follow the procedure described in part 1 hereof in the preparation of such request.

(Effective December 21, 1971)

Part 7

Petitions and Applications, Street Railways

Sec. 16-1-69. General rule

These rules apply to all proceedings seeking approval by the commissioners under authority of chapter 281 of the general statutes and to any form of appeal taken under the authority thereof.

(Effective December 21, 1971)

Sec. 16-1-70. Special components

In addition to the requirements herein set forth in part 1 of this article each application or petition for approval of the commissioners under chapter 281 of the general statutes shall contain the following data, either in the statement of application or as exhibits annexed thereto and accompanying the application:

(a) If such application is for an approval for any purpose connected with any aspect of the layout, construction, alteration or improvement of any street railway or any structure, fixture or facility of any description whatsoever that is accessory to the operation of the street railway, then there shall be annexed to the application:

(1) Where applicable, all agreements and other instruments permitting or otherwise authorizing the implementation of the purpose for which said approval is sought.

(2) Where applicable, any plan, engineer's drawing, or plot plan necessary to describe the proposal that is the subject of the petition or application.

(3) Where applicable, an itemized statement of the cost of implementing the proposal in the event that approval is granted by the commissioners.

(b) If the proceeding presented to the commission is an appeal under section 16-206 of the general statutes the petition shall be in the form provided by law.

(Effective December 21, 1971)

Part 8

Petitions and Applications, Telegraph, Telephone, Illuminating, Power and Water Companies

Sec. 16-1-71. General rule

These rules apply to all proceedings seeking approval by the commissioners under chapter 283 of the general statutes and to any form of appeal to the commissioners taken under that authority.

(Effective December 21, 1971)

Sec. 16-1-72. Special components

In addition to the requirements hereinabove set forth in part 1 of this article each application for approval of the commissioners under chapter 283 of the general statutes shall contain the data hereinafter described, either in the statement of application or as exhibits annexed thereto and accompanying the application.

(Effective December 21, 1971)

Sec. 16-1-73. Further special components

If such application is for an approval for any purpose connected with any directive, authorization, approval or order of the commissioners under sections 16-228, 16-233, 16-234, 16-238, 16-243 or 16-255 of the general statutes then there shall be annexed to the application:

(a) Statement describing in detail the location of the site that is the subject of the application.

(b) Where applicable, any plan, engineer's drawing, or plot plan necessary to describe the proposal that is the subject of the application.

(c) Where applicable, an itemized statement of the cost to implement the applicant's proposal in the event that approval is granted by the commissioners. Such itemized statement shall also set forth the cost of constructing or otherwise providing such facilities as shall be necessary and convenient to furnish the same public utility service in the event that approval is denied by the commissioners.

(Effective December 21, 1971)

Sec. 16-1-74. Components for standards of service

If such application is for establishment of any standard of service or for any other purpose described in chapter 283 of the general statutes and with particular reference to sections 16-258 and 16-259 of the general statutes, then there shall be annexed to the application:

(a) Detailed description of the standards proposed by the applicant.

(b) Detailed description of such standards as are in current use which it is expected will be altered in any respect or whose use will be discontinued or supplanted by the approval of the applicant's proposal.

(c) Statement of facts and arguments favoring the adoption of the standards proposed by the applicant, including reasons supporting the conclusion that public convenience and necessity will be better served by the adoption of the applicant's proposal than by its rejection by the commissioners.

(Effective December 21, 1971)

Sec. 16-1-75. Component for extension of telephone service

If such application is for the extension of telephone operations under sections 16-248, 16-249 and 16-250 of the general statutes, then there shall be annexed to the application:

(a) Statement describing the area to which it is proposed to extend service setting forth the anticipated number of subscribers and the nature of the services the applicant plans to furnish therein.

(b) Where applicable, any plan, engineer's drawing, map, plot plan, or other form of illustration necessary to describe the scope and nature of the proposal that is the subject of the application.

(c) Itemized statement of the cost of implementing the proposal in the event that approval is granted by the commissioners.

(d) Schedule of rules, tariffs and rates applicant will apply to the area into which service is to be extended.

(e) Pro forma statement of applicant's income, giving effect to implementation of said proposal.

(f) Pro forma balance sheet giving effect to implementation of said proposal.

(Effective December 21, 1971)

Sec. 16-1-76.

Transferred to § 16-261-1, August 23, 2000.

Sec. 16-1-77. Components for permission to sell electric energy

If such application seeks authority to generate, distribute, transmit or sell electric energy in any form or for any purpose provided in sections 16-244, 16-245, 16-246, 16-246a, 16-246b, 16-246c or 16-246d of the general statutes, then there shall be annexed to the application:

(a) statement describing the area that will be affected by and order of the commissioners under the application.

(b) Where applicable, any map, plan or other form of illustration necessary to describe the scope and nature of the area in which such authority will be employed by the applicant.

(c) Description of the anticipated purchasers of such electric energy and the nature of the service applicant proposes to furnish under its application.

(d) Names and addresses of all persons owning ten (10) percent or more of the outstanding debt or equity of the applicant. If applicant is trustee or agent for any person, the name and address of each person for whom the applicant is acting as such trustee or agent in the presentation of the application for the approval of the commissioners.

(e) A statement of the financial condition of the applicant.

(f) Statement of rules, tariffs, and rate schedule the applicant will apply to the area where electric energy is to be furnished under the application.

(g) Itemized statement of the cost of implementing the applicant's proposal.

(h) Pro forma statement of applicant's income, giving effect to the implementation of applicant's proposal under the rules, tariffs and rates applicant proposes to apply.

(i) Pro forma financial statement giving effect to the implementation of applicant's proposal.

(j) Any contract and any other instrument proposed or existing between the applicant and any other person concerning the furnishing of electric energy in the event the commissioners approve the application.

(k) Statement of any benefits that will accrue to the area where such electric energy will be furnished, including any facts and arguments leading to the conclusion that public convenience will be better served by the granting of the application than by its rejection by the commissioners.

(l) Any approval that applicant has received from the commissioners under section 16-43 of the general statutes which may relate to the circumstances under which applicant proposes to furnish electric energy under the application.

(Effective December 21, 1971)

Sec. 16-1-78.

Transferred to § 16-235-1, August 23, 2000.

Part 9

Petitions and Applications, Natural Gas Pipelines

Sec. 16-1-79. General rule

These rules apply to all proceedings seeking approval by the commissioners under chapter 284 of the general statutes and to any form of appeal taken under the authority thereof.

(Effective December 21, 1971)

Sec. 16-1-80. Special components

In addition to the requirements hereinabove set forth in part 1 of this article each application for approval of the commissioners under chapter 284 of the general statutes shall contain the data hereinafter described, either in the statement of application or as exhibits annexed thereto and accompanying the application.

(Effective December 21, 1971)

Sec. 16-1-81. Special components in eminent domain

If such application concerns the exercise of eminent domain under section 16-265 of the general statutes, then there shall be annexed to the application:

(a) Statement describing in detail the location of the site that is the subject of the application as set forth in the proposed petition to the superior court or any judge thereof, as provided by section 16-266 of the general statutes.

(b) Such plot plan, engineer's drawing, and other plan or layout sketch of the site as is necessary to illustrate the property to be taken, the method of construction and the plans to be used in the construction of the natural gas pipeline.

(c) Specifications to be used in the construction of the natural gas pipeline.

(d) Any written statement given by the railroad, street railway company or other public utility company setting forth facts and arguments opposing the granting of permission to proceed with construction in the manner proposed by the natural gas pipeline company.

(e) Statement of facts and arguments setting forth facts and arguments supporting the conclusion that public convenience and necessity will be served by construction over, under or across the location of the railroad, street railway or other public

utility in accordance with the plans and specifications of the natural gas pipeline company at the site proposed.

(Effective December 21, 1971)

Sec. 16-1-82. Special components in gas sales

If such application concerns authorization by the commission to supply or sell gas in the manner described in section 16-269 of the general statutes, then there shall be annexed to the application:

(a) Statement identifying the location where the gas is to be supplied or sold, the name of the franchise holder for said area, and the name or names and addresses of the proposed recipients of such gas.

(b) Statement of the quantity of gas to be supplied or sold, setting forth the gross annual volume of gas broken down by monthly quantities and giving the proposed beginning and ending dates of the period which the applicant proposes to supply or sell that volume of gas to such recipients.

(c) Rules, tariffs and rates governing the delivery and pricing of such gas under the applicant's proposal.

(d) Total annual revenue applicant proposes to receive for supply or sale of gas, broken down by the amount of revenue expected from each recipient.

(e) Statement of any facts supporting conclusion that franchise holder is unable to furnish gas to proposed recipients in volume they demand and as proposed in the application.

(f) Statement of the facts and arguments supporting conclusion that public convenience and necessity will be served by approval of the application.

(Effective December 21, 1971)

Sec. 16-1-83. Components for appeals to commission

If the proceeding presented to the commission is an appeal under section 16-231 of the general statutes for any purpose provided in chapter 284 of the general statutes, then the appellant shall proceed in the manner described in section 16-1-78 in preparing and presenting such appeal.

(Effective December 21, 1971)

Part 10

Petitions and Applications, Community Antenna Television Systems

Sec. 16-1-84. General rule

These rules apply to all proceedings seeking approval by the commissioners under chapter 289 of the general statutes.

(Effective December 21, 1971)

Sec. 16-1-85. Application for granting of certificate

In addition to the requirements set forth in part 1 of this article each application for approval of the commissioners under chapter 289 of the general statutes shall contain the data hereinafter described, either in the statement of application or as exhibits annexed thereto and accompanying the application, together with an application fee of fifty (\$50) dollars in cash, check or post office money order payable to the treasurer of the state of Connecticut.

(Effective December 21, 1971)

Sec. 16-1-86. Special components

If the application concerns the granting of a certificate that public convenience and necessity require the operation of any proposed community antenna television system within the territory specified in such certificate in the manner described in section 16-331 of the general statutes, then there shall be annexed to the application:

(a) Statement describing in detail the territory wherein the applicant proposes to furnish such service.

(b) Such map, engineer's drawings and other form of illustration as shall be necessary to describe the scope and nature of the service that is the subject of the application, as well as the equipment with which such service is to be furnished.

(c) A statement of the financial condition of the applicant.

(d) Names and addresses of all persons owning ten (10) percent or more of the outstanding debt or equity of the applicant. If the named applicant is the trustee, agent or nominee of any person, such statement shall also include the name and address of each person for whom the applicant is acting as such trustee, agent or nominee in presenting the application.

(e) Description of the services and conditions of service that applicant proposes.

(f) Statement of proposed rules, tariffs, and schedule of rates under which such service will be supplied by applicant.

(g) Description of equipment with which applicant proposes to furnish such service, together with itemized statement of the cost of said equipment to the applicant.

(h) Proposed timetable for commencing to furnish such service after application is approved.

(i) Description of street wiring applicant proposes to undertake within the first two years of operation, together with a breakdown of the proposed cost of installation of such street wiring.

(j) Pro forma balance sheet as of date when applicant commences operations.

(k) Pro forma income statement for applicant's first ten (10) years of operations under proposed tariff and schedule of rates.

(l) Copies of any contracts, leases, or other commitments proposed or existing between the applicant and any supplier of equipment or of services in any form whatsoever that will affect the construction or operation of the proposed system.

(m) Statement listing names and addresses of all management and principal staff personnel, and setting forth their qualifications to construct and operate the system efficiently.

(Effective December 21, 1971)

Sec. 16-1-87. Application to transfer certificate. Special components

If the application concerns the transfer of a certificate concerning the public convenience and necessity of any community antenna television system, either before or after the commencement of the construction or operation of such system under authority of section 16-331 of the general statutes, then there shall be annexed to the application to transfer in addition to the requirements of part 1 of this article.

(a) Copy of the authority which applicant seeks to transfer to proposed transferee.

(b) A statement of the financial condition of the proposed transferee.

(c) All contracts and other agreements of conveyance and assignment of every kind whatsoever that the applicant and the transferee will employ to consummate the change of ownership of the system upon approval by the commissioners.

(d) Names and addresses of all persons owning ten (10) percent or more of the outstanding debt or equity of the transferee. If the named transferee is the trustee, agent, or nominee of any person, such statement shall also include the name and address of each person for whom the transferee is acting as such trustee, agent or nominee in the proposed transfer.

(e) Statement listing names and addresses of all management and principal staff personnel of proposed transferee who will construct, operate or manage the system, setting forth their qualifications to construct, operate or manage the system efficiently.

(f) Pro forma financial statement and balance sheet of the transferee following acquisition of the system from the applicant.

(g) Statement of any alterations in equipment or service proposed by transferee after approval by the commissioners.

(h) Fee of fifty (\$50) dollars in cash, check or post office money order payable to the treasurer of the state of Connecticut.

(Effective December 21, 1971)

Part 11

Petitions and Applications, Motor Carriers

Sec. 16-1-88. General rule

These rules apply to all proceedings before the commission under authority of chapters 285, 286, 287 and 288 of the general statutes.

(Effective December 21, 1971)

Sec. 16-1-89. Forms of applications

Where the commission has provided a form of application as hereinafter indicated all applications shall be prepared and submitted on such forms, together with such special components as are required but shall otherwise comply with part 1 of this article, where applicable.

(Effective December 21, 1971)

Sec. 16-1-90. Motor truck carriers

Application to operate a motor truck common or contract carrier under chapter 285 of the general statutes on form provided by commission. Special components required to be submitted as part of application:

(a) Fee of seventy-five (\$75) dollars, and on and after July 1, 1989, one hundred thirteen (\$113) dollars, and on and after July 1, 1991, one hundred forty-one (\$141) dollars, and on and after July 1, 1993, one hundred seventy-seven (\$177) dollars in cash, check, or post office money order payable to the treasurer of the State of Connecticut.

(b) If application is for common carrier certificate of public convenience and necessity, applicant shall submit with the application a specimen tariff or statement of proposed rules, rates and charges for the service it seeks to furnish.

(c) If application is for a contract carrier permit, applicant shall submit with the application copies of the contracts under which it proposes to perform the transportation service allowed under the permit.

(Effective January 28, 1988)

Sec. 16-1-91. Intrastate motor bus

Application for certificate to operate intrastate motor bus service under chapter 286 of the general statutes on form provided by commission. Special components required to be submitted as part of application:

- (a) Statement of proposed fares and schedules of service.
- (b) Map showing proposed route.
- (c) Letter of approval from the traffic authority of each town and city where the applicant will provide service over such proposed routes on local streets.
(Effective December 21, 1971)

Sec. 16-1-92. Taxicab

Application for certification to operate taxicab service under chapter 287 of the general statutes on form provided by commission. Special components required to be submitted as part of application:

- (a) Application fee of twenty-five (\$25) dollars in cash, check or post office money order payable to the treasurer of the state of Connecticut.
- (b) Statement of proposed taxicab rates and charges and rules governing operation.
(Effective December 21, 1971)

Sec. 16-1-93. Livery

Application for permit to operate livery service under chapter 288 of the general statutes on form provided by commission. Special components required to be submitted as part of application:

- (a) Application fee of ten (\$10) dollars in cash, check or post office money order payable to the treasurer of the state of Connecticut.
- (b) Statement of proposed livery rates and charges and rules governing operation.
(Effective December 21, 1971)

Sec. 16-1-94. Transfer, motor truck

Application for approval of sale and transfer of intrastate motor truck certificate of public convenience and necessity under section 16-300 of chapter 285 of the general statutes on form provided by commission. Special components required to be submitted as part of application:

- (a) Application fee of fifty (\$50) dollars in cash, check, or post office money order payable to the treasurer of the state of Connecticut.
- (b) If proposed transferee is a corporation and does not hold intrastate authority to operate as a motor carrier of property for hire, then attach a certified copy of transferee's certificate of incorporation.
(Effective December 21, 1971)

Sec. 16-1-95. Transfer, motor bus

Application for approval of sale and transfer of intrastate certificate of public convenience and necessity for motor bus operation under section 16-309 of chapter 286 of the general statutes, on form provided by commission. Special components required to be submitted as part of application:

- (a) Application fee of fifty (\$50) dollars in cash, check, or post office money order payable to the treasurer of the state of Connecticut.
- (b) If proposed transferee is a corporation and does not hold intrastate authority to operate as an intrastate motor bus operator, then attach a certified copy of transferee's certificate of incorporation.
(Effective December 21, 1971)

Sec. 16-1-96. Transfer, taxicab

Application for approval of sale and transfer of certificate of public convenience and necessity for taxicab operation under section 16-320 of chapter 287 of the

general statutes on form provided by the commission. Special components required to be submitted as part of application:

(a) Application fee of twenty-five (\$25) dollars in cash, check, or post office money order payable to the treasurer of the state of Connecticut.

(b) If proposed transferee is a corporation and does not hold authority to operate taxicab service, then attach a certified copy of proposed transferee's certificate of incorporation.

(Effective December 21, 1971)

Sec. 16-1-97. Transfer, livery

Application for sale and transfer of permit for livery service operation under section 16-326 of chapter 288 of the general statutes on form provided by the commission. Special components required to be submitted as part of application:

(a) Application fee of ten (\$10) dollars in cash, check, or post office money order payable to the treasurer of the state of Connecticut.

(b) If proposed transferee is a corporation and does not hold authority to operate livery service, then attach a certified copy of proposed transferee's certificate of incorporation.

(Effective December 21, 1971)

Sec. 16-1-98. Special components, police record, and agent for service of process

(a) As to all applications for certificate of public convenience and necessity as operator of motor common carrier or contract carrier, motor bus service, taxicab service and livery service, for approval of sale and transfer of certificate of public convenience and necessity as operator of intrastate motor truck service, motor bus service, taxicab service, and livery service, the following shall be submitted as part of the application. Where the proposed operator or transferee is an unincorporated sole proprietorship or a partnership or other form of such association, then the following shall apply to each proprietor, partner and association member. Where the proposed operator or transferee is incorporated, then the following shall apply to each officer of the corporation and to each person owning ten (10) percent or more of the outstanding debt or equity of the operator or transferee. As to each such proprietor, partner, association member, corporation officer, and person owning such an interest in the applicant or transferee there shall be submitted a statement from the chief of police of the city or town where each resides concerning any police record or absence of police record.

(b) When the proposed operator or transferee, whether incorporated or unincorporated is not a resident of this state, the name and address of an agent for service of legal process or notice must be stated on the application.

(Effective January 28, 1988)

Sec. 16-1-99. Special components, rates applications

In addition to the requirements stated in part 1 of this article, each rate application of a motor carrier for property for hire, bus operator, taxicab operator, livery service operator, and ambulance operator shall substitute for the special components required in section 16-1-55 the following components and data, either in the statement of application or as exhibits annexed thereto and accompanying the application:

(a) A statement of financial operation at present and proposed rates.

(b) Balance sheet for the test year, for the prior three (3) years and a pro forma year.

(c) Schedule of existing rates and of actual revenues by class for the test year and pro forma at the present and at the proposed rates.

(d) Statement of the proposed increases or changes which will result in increases that applicant requests authority to make effective, setting forth the applicant's proposed rate structure for all classifications of service, where applicable.

(Effective December 21, 1971)

Sec. 16-1-100. Special requirements, rate applications

In each rate application where the gross income of the applicant does not exceed \$50,000 per year for service as a motor carrier of property for hire, bus operator, taxicab operator, livery service operator, or ambulance operator, the applicant shall prepare such application by following the requirements of part 1 of this article, where applicable, and shall add the following data, either in the statement of application or as exhibits annexed thereto and accompanying the application:

(a) List of vehicles, equipment and garage facilities, giving current value of each item thereof.

(b) Schedule of the rates the applicant is presently charging for its services.

(c) The schedule of rates the applicant proposes to charge for the same service.

(d) Calculation of applicant's revenues at both the current and the proposed rates based on the number of customers and volume of business it carried on during the test year.

(e) Income statement showing the actual results of the applicant's operations under the current rates.

(f) Income statement showing the estimated results of the applicant's operations based on the proposed rates, using changed costs of operation adjusted to account for estimates based on known changes that will take effect during the projected period.

(Effective December 21, 1971)

Sec. 16-1-101. More than one department

Where a motor carrier for hire has more than one department and offers more than one type of service, its rate application shall be prepared in accordance with Section 16-1-57 hereof.

(Effective December 21, 1971)

ARTICLE 4

MISCELLANEOUS PROCEEDINGS

Part 1

Petitions: Presentation of Complaints and Other Requests for Action by the Commissioners and for Adoption of Regulations

Sec. 16-1-102. General rule

These rules set forth the procedure to be followed by persons asserting any complaint to the commission under title 16 of the general statutes including but not limited to the provisions of sections 16-12, 16-13, 16-14, 16-20, 16-21, 16-273, 16-274, 16-296, 16-304, 16-309, 16-319, 16-325. In addition, these rules shall set forth the procedure to be followed by any person desiring to bring to the commission any petition whatsoever with respect to the rates, service operation, equipment and

plant; the convenience, protection and safety of the persons served by any public service company; and the public safety.

(Effective December 21, 1971)

Sec. 16-1-103. Form of petition

Any such petition or statement of complaint shall conform to the rules stated in part 1 of article 3, where applicable, setting forth a plain and concise statement of the material facts on which the petitioner or complainant relies. Such statement of facts should be divided into paragraphs numbered consecutively, each containing as nearly as may be a separate allegation. Where applicable, the petitioner or complainant may set forth acts, events, documents, and other occurrences according to their claimed legal effect. But in so doing the petition or statement of complaint should be such as fairly to apprise the commission and the public service company of the state of facts on which it is intended the commissioners shall act.

(Effective December 21, 1971)

Sec. 16-1-104. Special components

The petitioner or complainant may annex such exhibits, illustrations, written testimony, and other evidence, as well as any brief of law and fact that the petitioner deems necessary or desirable to support the petition or statement of complaint. Insofar as man be practical, however, each petition or statement of complaint and the exhibits and other evidence annexed thereto shall be sufficiently complete when filed to present the entire case of the petitioners or complainant, subject only to cross examination by the other parties and by the commission at the time of hearing.

(Effective December 21, 1971)

Sec. 16-1-105. Hearing

An investigation shall be conducted by the commission and duly noticed hearings shall be held as ordered by the commissioners. The proceedings and disposition of the petition or statement shall follow the rules of practice and procedure hereinabove set forth in article 2 for all other forms of proceedings before the commission.

(Effective December 21, 1971)

Part 2

Enforcement of Statutes, Regulations and Orders of Commissioners

Sec. 16-1-106. General rule

These rules set forth the procedure to be followed by the commission in the enforcement of statutes, regulations, and orders concerning public service companies under the authority of law.

(Effective December 21, 1971)

Sec. 16-1-107. Procedure in response to violation

At such time as facts known to the commission shall indicate that any public service company or any other person within the authority delegated by law has violated or is violating any statute in title 16 of the general statutes, or any regulation or order of the commissioners, then the commissioners may order an investigation of such facts. The purpose of said investigation shall be to determine whether or not such violation has, in fact, occurred. In the event the commissioners find that such a violation has occurred, they shall make such order and take such remedial action as is authorized by law in the case of such violation.

(Effective December 21, 1971)

Sec. 16-1-108. Order commencing investigation of violation

The commission shall set a time and place for a hearing concerning the investigation of the violation. It shall give the accused public service company and all other interested persons notice of the hearing in the form and manner hereinabove provided for all other hearings. Such notice shall be sent to the accused public service company with a plain and concise statement of the material facts known to the commission that have led to the conclusion that the information known to the commission indicates the apparent violation of such statute, regulation or order of the commissioners. Where applicable, a bill of particulars will be provided pursuant to the procedure set forth in Section 16-1-26.

(Effective December 21, 1971)

Sec. 16-1-109. Hearing

The proceedings and disposition of the evidence elicited in the investigation and hearing concerning such violation shall follow the rules of practice and procedure hereinabove set forth in article 2 for all other forms of proceedings before the commission.

(Effective December 21, 1971)

Part 3

Petitions Concerning Adoption of Regulations

Sec. 16-1-110. General rule

These rules set forth the procedure to be followed by the commissioners in the disposition of petitions concerning the promulgation, amendment, or repeal of a regulation.

(Effective December 21, 1971)

Sec. 16-1-111. Form of petitions

Any interested person may at any time petition the commissioners to promulgate, amend, or repeal any regulation. The petition shall conform to the rules stated in part 1 of article 3, where applicable, and shall set forth clearly and concisely the text of the proposed regulation, amendment, or repeal. Such petition shall also state the facts and arguments that favor the action it proposes by including such data, facts, and arguments either in the petition or in a brief annexed thereto. The petition shall be addressed to the commission and sent to the executive secretary by mail or delivered in person during normal business hours. The petition shall be signed by the petitioner and shall furnish the address of the petitioner and the name and address of petitioner's attorney, if applicable.

(Effective December 21, 1971)

Sec. 16-1-112. Procedure after petition filed

(a) Decision on petition. Upon receipt of the petition the commissioners shall within thirty (30) days determine whether to deny the petition or to initiate regulation making proceedings in accordance with law.

(b) Procedure on denial. If the commissioners deny the petition, the commission shall give the petitioner notice in writing, stating the reasons for the denial based upon the data, facts, and arguments submitted with the petition by the petitioner and upon such additional data, facts and arguments as the commissioners shall deem appropriate.

(Effective December 21, 1971)

Part 4

Requests for Advisory Rulings

Sec. 16-1-113. General rule

These rules set forth the procedure to be followed by the commissioners in the disposition of requests for declaratory rulings as to the applicability of any statutory provision or of any regulation or order of the commissioners. Such a ruling of the commissioners disposing of a petition for a declaratory ruling shall have the same status as any decision or order of the commissioners in a contested case.

(Effective December 21, 1971)

Sec. 16-1-114. Form of petition for advisory ruling

Any interested person may at any time request an advisory ruling of the commissioners with respect to the applicability to such person of any statute, regulation or order enforced, administered, or promulgated by the commissioners. Such request shall be addressed to the commission and sent to the executive secretary by mail or delivered in person during normal business hours. The request shall be signed by the person in whose behalf the inquiry is made. It shall give the address of the person inquiring and the name and address of such person's attorney, if applicable. The request shall state clearly and concisely the substance and nature of the request; it shall identify the statute, regulation or order concerning which the inquiry is made and shall identify the particular aspect thereof to which the inquiry is directed. The request for an advisory ruling shall be accompanied by a statement of any supporting data, facts and arguments that support the position of the person making the inquiry. Where applicable part 1 of article 3 governs the form and contents of the petition for advisory ruling.

(Effective December 21, 1971)

Sec. 16-1-115. Procedure after petition filed

(a) Notice to other persons. The commission may give notice to any person that such an advisory ruling has been requested and may receive and consider data, facts, arguments and opinions from persons other than the person requesting the ruling.

(b) Provision for hearing. If the commissioners deem a hearing necessary or helpful in determining any issue concerning the request for advisory ruling, the commission shall schedule such hearing and give such notice thereof as shall be appropriate. The provisions of article 2 govern the practice and procedure of the commission in any hearing concerning an advisory ruling.

(c) Decision on petition, ruling denied. If the commissioners determine that an advisory ruling will not be rendered, the commission shall within ten (10) days thereafter notify the person so inquiring that the request has been denied and furnish a statement of the reasons on which the commissioners relied in so deciding.

(d) Decision on petition, ruling granted. If the commissioners render an advisory ruling, a copy of the ruling shall be sent to the person requesting it and to that person's attorney, if applicable, and to any other person who has filed a written request for a copy with the executive secretary.

(Effective December 21, 1971)

Part 5

Miscellaneous Provisions

Sec. 16-1-116. Commission investigations

The commission may at any time institute investigations at the direction of the commissioners. Orders instituting the investigation shall indicate the nature of the

matters to be investigated and will be served upon any person being investigated. Upon direction by the commissioners said person shall file with the commission such data, facts, arguments and statement of position as shall be necessary to respond to the inquiry of the commission.

(Effective December 21, 1971)

Sec. 16-1-117. Procedure

The rules of practice and procedure set forth in article 2 govern any hearing held for the purpose of such an investigation.

(Effective December 21, 1971)

Part 6

Extended Local Calling Telephone Service

Sec. 16-1-118. General rule

These rules shall apply to all petitions received by the Public Utilities Control Authority for the extension of local telephone service in the State of Connecticut and shall govern the disposition of such petitions by the Authority under the standards set forth herein.

(Effective April 19, 1979)

Sec. 16-1-119. Definitions

As used in these rules concerning local calling.

(1) "Customer" or "Subscriber" means any person or entity which has contracted with a telephone company for residential or business exchange telephone service and shall include any such persons or entities that would normally be served from the exchange requesting extended local calling but have foreign exchange service properly provided from the exchange to which toll free calling is requested.

(2) "Contiguous Exchange" means an exchange that adjoins or comes in physical contact with the boundaries of another exchange at any point.

(3) "Exchange" means a telephone service area with geographic boundaries or company designated administrative boundaries within which all customers have access to an identical list of central office codes which constitute the first three digits of telephone numbers they can call without paying a toll charge.

(4) "Extended Local Calling (ELC)" means a local exchange service that allows the telephone user to dial to a telephone which is located in an exchange other than the one from which the customer is served without incurring a toll charge. Such service shall be deemed "two-way" if extended local calling service is available to both exchanges in which an ELC route terminates, and "way" where a call on such a route, in either direction, requires the payment of a toll charge.

(5) "Main Station" means each exchange access line, or the equivalent as defined in the telephone company tariff, connected to a central office serving the exchange in question. Connection at the central office to switching equipment permits communication with other main stations.

(6) "Non-Contiguous Exchanges" means that the exchange boundaries of two exchanges do not adjoin or come in contact with each other at any point.

(7) "Petition" means a request for extended local calling which meets the requirements of section 16-1-120 and is in compliance with the provisions governing petitions to the Authority in general, Section 16-1-10 through 16-1-15 and Sections 16-1-45 to 16-1-52.

(8) “Public Utilities Control Authority,” “PUCA” or “the Authority” means the Connecticut Public Utilities Control Authority.

(9) “Telephone Company” means any public service company providing exchange telephone service within the state of Connecticut.

(10) “Split Town” means a Town served by two or more exchanges, between any two of which a toll charge applies when such toll charge is not the result of a customer choosing to be served from an exchange other than the one designated to serve that area.

(Effective February 24, 1982)

Sec. 16-1-120. Petitions

A petition to receive extended local calling shall, in order to be considered by the Authority, be signed by five percent (5%) of the subscribers in the telephone exchange in which the petition originates. The form of the petition shall state the name and telephone number of each person signing the petition, the name of the exchange in which the petition originated and the name of the exchange to which extended local calling is sought, whether the exchanges are contiguous to each other, the number of main stations in each exchange, and the name of each exchange to which the petitioning exchange either has existing extended local calling or has been granted extended local calling under these rules. The telephone company which serves the petitioning exchange shall provide this information on a suitable petition form to subscribers desiring to circulate a petition.

(Effective April 19, 1979)

Sec. 16-1-121. Telephone company studies

When a petition is filed with the Authority under Section 16-1-120, the telephone company serving the exchange shall be notified and thereafter the telephone company shall conduct a study to determine the effect, if any, of the provision of the extended local calling on the local exchange service rates then in effect, due to reclassification of one or both exchanges involved to a higher local service rate class. The telephone company shall also determine the overall effect on its revenue requirements and shall state separately the amount of annual toll revenues that would be lost by conversion to ELC, together with a complete cost study showing itemized capital costs and recurring costs. The telephone company shall determine the current average number of toll messages per month per subscriber between the exchanges involved. Upon the conclusion of such study or studies the telephone company shall file the information with the Authority.

(Effective April 19, 1979)

Sec. 16-1-122. Contiguous exchange extended local calling

The Authority shall hold a hearing on all petitions for the provision of extended local calling between contiguous exchanges to determine if the following requirements are satisfied:

(1) That the petition in all respects satisfies the criteria set forth in Section 16-1-120;

(2) That the toll messages on the route requested average greater than or equal to four (4) calls per customer per month from the petitioning exchange over a six month period;

(3) That a previous petition has not been rejected nor a subscriber vote conducted in the 18-month period prior to the petition.

Provided, however, that if a petition for a contiguous route encompasses two or more exchanges serving the same regional school district and said petition is sponsored by the superintendent for that district or the chief administrative officer for any town served by said district, or encompasses two or more exchanges in a split town; or is from an exchange in the lowest exchange classification; the requirement that the number of toll calls per customer per month exceed any given level need not be met.

(Effective June 12, 1980)

Sec. 16-1-123. Noncontiguous exchange extended local calling

The Authority shall hold a hearing on all petitions for the provision of extended local calling between non-contiguous exchanges to determine if the following requirements are met:

(1) That criteria set forth in Section 16-1-122 (1) and (3), relating to contiguous exchanges is fully satisfied: and

(2) That the toll messages on the non-contiguous route requested average greater than or equal to ten (10) calls per customer per month from the petitioning exchange over a six month period; or

(3) A petition from an exchange in the lowest exchange classification has been signed by at least 15 percent of the subscribers in that exchange. Only one such petition is required to meet the requirements of Section 16-1-120 and this section.

Provided, however, that if a petition for a non-contiguous route encompasses two or more exchanges serving the same regional school district and the petition received by the Authority is sponsored by the superintendent for that district or the chief administrative officer of any town served by said district, or is from an exchange in the lowest exchange classification; the requirement that the number of toll calls per customer per month exceed any given level need not be met.

(Effective April 23, 1984)

Sec. 16-1-124. Subscriber votes

In all cases where a petition for extended local calling otherwise conforms to these rules and either exchange would be subject to reclassification to a higher rate group for local service rates, subsequent to a hearing the Authority shall direct the Company to conduct a survey of all subscribers in any exchange subject to reclassification. The survey ballot and accompanying letter explaining the reason for the survey shall be submitted by the serving telephone company to the Authority and, unless otherwise directed by the Authority within 10 days, the company shall deem them approved for mailing. The vote of subscribers shall be taken during the next 60 days. Each separately billed subscriber is entitled to only one vote. Responses to such a vote shall be submitted to the telephone company no later than 30 days after the expiration of the 60 day voting period for counting under the direction of the Authority. The ballots for such votes shall clearly and plainly state:

(1) The increase in local service rates to which subscribers would be subject because of any rate group reclassification, under the currently effective tariff.

(2) The telephone exchanges, towns and three digit telephone number prefixes which would become accessible to the exchanges if extended local calling were approved.

Extended local calling shall be approved and ordered if after a hearing the Authority finds that more than 50 percent of the responding subscribers in each exchange required to be surveyed vote in favor of the additional extended local calling route and at least 50 percent of all subscribers in each exchange required

to be surveyed respond to the survey; provided only validly completed and signed ballots shall be used in computing the required percentages.

The ballots for the subscriber votes shall state separately for each exchange required to be surveyed the amount of local service rate increases due to reclassification under currently effective tariffs. In no event shall the percentage of responses or affirmative votes be aggregated or averaged over the exchanges involved, but the results shall be separately compiled for each exchange.

(Effective May 19, 1988)

Sec. 16-1-125. Telephone company modernization

A new extended local calling route which otherwise meets the conditions set forth in these rules may be delayed in implementation by the Authority beyond the normal implementation interval, if it finds that the construction necessary to provide the route would conflict with a plan or program of modernization of telephone service equipment, either in progress or planned by the telephone company or companies that serve the exchanges involved. Such a conflict in a plan or program of modernization may be deemed to exist if a type or types of modification to equipment, required to provide extended local calling, would produce a payback rate, computed using standard financial accounting techniques, of less than or equal to 10 percent. The computation of the payback rate shall be limited to the term of the period before which equipment is to be replaced or modernized and to the estimated cost of the capital investment necessary to provide extended local calling service.

(Effective April 19, 1979)

Sec. 16-1-126. One-way extended local calling routes

All existing one-way extended local calling routes shall be converted to two-way local calling in coordination with the planned conversion to ESS facilities. The subscribers affected by the conversion of existing one-way ELC routes shall pay only the expense associated with reclassification to a higher rate group, if any. Where reclassification of an exchange from Class I to Class III occurs as a result of conversion of one-way toll route(s) to two-way local calling, the increase to Class II rates will be effected upon completion of said conversion and the increase in rates to Class III will be effected two years after completion of said conversion.

(Effective April 19, 1979)

Sec. 16-1-127. Revenue requirement changes

Any changes in the revenue requirements of the telephone company due to the granting of ELC in compliance with these regulations shall be the proper subject of a public hearing pursuant to Section 16-19 of the General Statutes of Connecticut. The hearing may be limited to consideration of the revenue requirements emanating from actions taken under these regulations.

(Effective April 19, 1979)

Area Transfers

Sec. 16-1-128. Definitions

As used in these rules concerning area transfer.

(a) "Customer" or "Subscriber" means any person or entity which has contracted with a telephone company for residential or business exchange telephone service and shall also include any such persons or entities that reside in the area

requested to be transferred but which have telephone exchange service from an exchange other than that which would normally serve the area.

(b) "Exchange" or "Telephone Exchange" means a telephone service area with geographic boundaries or telephone company designated administrative boundaries within which all customers have access to an identical list of central office codes which constitute the first three digits of telephone numbers they can call without paying a toll charge.

(c) "Telephone Company" means any public service company providing exchange telephone service within the State of Connecticut.

(d) "Department" means the Department of Public Utility Control.

(e) "Petition" means a request that a specific geographic area be transferred from one exchange to another within the same town, which meets the requirements of Section 16-1-129 and is in compliance with the provisions governing petitions to the Department in general, Sections 16-1-10 through 16-1-15 and Sections 16-1-45 to 16-1-52.

(f) "Principal Exchange" means that exchange which serves the largest number of customers within the town.

(g) "Area Transfer Area" means a single continuous exchange service area adjacent to the principal exchange and presently served by only one other exchange.

(Effective September 27, 1988)

Sec. 16-1-129. Petitions

(a) A petition for the transfer of an area from one exchange to another, in order to be considered by the Department, must meet the following requirements:

(1) The petition must be from customers who reside in an area of a town which is served by an exchange other than the principal exchange.

(2) The petition must be for transfer of an area of a town to the principal exchange for the same town.

(3) The form of the petition shall state the name, address, and telephone number of each person signing the petition, the name of the exchange which serves the subject area, the name of the principal exchange serving the town, and the number of customers in the town served by each of the exchanges involved.

(4) The petition must be signed by at least five percent (5%) of the customers in the area transfer area.

(Effective September 27, 1988)

Sec. 16-1-130. Telephone company studies

When a petition is filed with the Department under section 16-1-129, the telephone company(s) serving the exchanges shall be notified and thereafter shall conduct a study to determine the effect, if any, of the transfer of the area in question on the rates, then in effect, due to reclassification of one or more exchanges. A complete report of the above study, including a five (5) year analysis of the revenue requirements associated with such a transfer shall be filed with the Department no later than ninety (90) days following receipt of notification that a petition has been filed. The telephone company also shall file, with the above report, a proposed survey ballot and accompanying letter which explains the purpose of the survey.

(Effective September 27, 1988)

Sec. 16-1-131. Hearing

The Department shall hold a hearing on all petitions for the transfer of subscribers from one exchange to another to determine if the petition in all respects satisfies

the criteria set forth in section 16-1-129, that a previous petition has not been denied in the eighteen (18) month period prior to the filing of the current petition and if the public interest would be served by the proposed transfer. For the purpose of this section and section 16-1-132, the Department shall consider, without limitation, the following factors in determining whether a proposed area transfer is in the public interest:

- (1) the estimated cost of implementing the transfer;
- (2) the number of customers who would be transferred;
- (3) the estimated impact of the transfer upon rates, charges, and service for other customers of the company, and upon the company's revenue requirements; and
- (4) the relationship between implementing the proposed area transfer and the company's modernization program.

(Effective September 27, 1988)

Sec. 16-1-132. Subscriber votes

(a) In all cases where a petition is found to be in the public interest and otherwise conforms to these rules, the Department shall direct the telephone company to conduct a survey of all subscribers in the area proposed to be transferred. The vote of subscribers shall be initiated within sixty (60) days after the hearing required in Section 16-1-131. Each separately billed subscriber is entitled to only one vote. Responses to such a ballot shall be submitted to the telephone company no later than thirty (30) days after the expiration of the sixty (60) day voting period for counting under the direction of the Department. The ballots for such votes shall clearly and plainly state:

(1) The change in local service rates, if any, to which the subscribers would be subject due to different exchange classifications under currently effective tariffs, if the area transfer were approved.

(2) The exchanges, towns and three (3) digit telephone number prefixes which would be accessible to the subscribers if the area transfer were approved.

(3) The exchanges, towns and three (3) digit telephone number prefixes which would no longer be accessible to the subscribers if the area transfer were approved.

(4) The three (3) digit telephone number prefix(es) to which subscribers telephone numbers would be changed if the area transfer were approved.

(b) Modification of exchange boundaries (area transfer) shall be ordered if the Department finds that at least 50 percent (50%) of those subscribers surveyed respond and at least 60 percent (60%) of those, vote in favor. Only validly completed and signed ballots shall be used in computing the percentages. An area transfer so ordered shall be mandatory for all customers in the subject area.

(Effective September 27, 1988)

Sec. 16-1-133. Telephone company modernization

An area transfer petition which otherwise meets the conditions set forth in these rules may, upon approval by the Department, be coordinated in implementation with the telephone company's modernization programs. In no event shall the delay exceed twelve (12) months.

(Effective September 27, 1988)

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Description of Organization

Secs. 16-2-1—16-2-4.

Repealed, December 7, 1978.

Part 1

Introduction

Sec. 16-2-5. Creation and authority

The Public Utilities Control Authority was established in the executive branch of the state government by Public Act 486 of the 1975 General Assembly. The Authority operates according to powers conferred in various titles of the General Statutes relating to the regulation and supervision of public utilities and according to the constitutions of Connecticut and the United States. The principal title governing the operation of the Authority is Title 16.

(Effective December 7, 1978)

Sec. 16-2-6. Purpose and functions

The Public Utilities Control Authority is charged by statute with the regulation of public service companies, including railroad, street railway, motor bus, electric, gas, telephone, telegraph, pipeline, sewage, water and community antenna television companies; also motor carriers of property for hire; taxicabs, motor vehicles in livery service. This regulation function embodies the following activities: review and establishment of rates charged; investigation of complaints; inspection of plant and equipment; issuance of certificates of authority; investigation of fatal accidents; issuance of certificates and permits to motor truck and passenger carriers; and all other regulatory activities provided by law as set forth in Title 16 of the General Statutes.

(Effective December 7, 1978)

Sec. 16-2-7. Official address

The official address of the Authority is located at the State Office Building, 165 Capitol Avenue, Hartford, Connecticut 06115.

(Effective December 7, 1978)

Sec. 16-2-8. Basic organization

The Public Utilities Control Authority consists of:

- (1) the Office of the Commissioners;
- (2) the Office of the Executive Secretary;
- (3) the Consumer Assistance and Information Division;
- (4) the Engineering Division;
- (5) the Rate Analysis, Statistics and Research Division;
- (6) the Utilities Operations and Management Analysis Division;
- (7) the Regulatory Accounting and Auditing Division.

(Effective December 7, 1978)

Procedures for Maintenance of Personal Data

Personal Data Act

Sec. 16-2-8a. Definitions

When used in Sections 16-2-8a to 16-2-8h inclusive, the following terms shall have the meanings herein specified, unless the context otherwise indicates.

(a) “Agency” means each state or municipal board, commission, department or officer, other than the legislature, courts, governor, lieutenant governor, attorney general or town or regional boards of education, which maintains a personal data system.

(b) “Attorney” means an attorney at law empowered by a person to assert the confidentiality of or right of access to personal data under this chapter.

(c) “Authorized representative” means a parent, or a guardian or conservator, other than an attorney, appointed to act on behalf of a person and empowered by such person to assert the confidentiality of or right of access to personal data under this chapter.

(d) “Automated personal data system” means a personal data system in which data is stored, in whole or part, in a computer or in computer accessible files.

(e) “Computer accessible files” means any personal data which is stored on-line or off-line, which can be identified by use of electronic means, including but not limited to microfilm and microfilm devices, which includes but is not limited to magnetic tape, magnetic film, magnetic disks, magnetic drums, internal memory utilized by any processing device, including computers or telecommunications control units, punched cards, optically scannable paper or film.

(f) “Maintain” means collect, maintain, use or disseminate.

(g) “Manual personal data system” means a personal data system other than an automated personal data system.

(h) “Person” means an individual of any age concerning whom personal data is maintained in a personal data system, or a person’s attorney or authorized representative.

(i) “Personal data” means any information about a person’s education, finances, medical or emotional condition or history, employment or business history, family or personal relationships, reputation or character which because of name, identifying number, mark or description can be readily associated with a particular person. “Personal data” shall not be construed to make available to a person any record described in subdivision (3) of subsection (b) of Conn. Gen. Stat., section 1-19.

(j) “Personal data system” means a collection of records containing personal data.

(k) “Personnel file” means that compilation of personal data, in either manual or automated form, which is necessary for the conduct of the department’s business and which is kept and maintained by the department’s personnel office.

(l) “Record” means any collection of personal data, defined in subsection (i), which is collected, maintained or disseminated.

(m) “Category of personal data” means the classifications of personal information set forth in the Personal Data Act, Conn. Gen. Stat. Sec. 4-190 (9).

(n) “Other Data” means any information which because of name, identifying number, mark or description can be readily associated with a particular person.

(o) “Employee personal data file” means that compilation of personal data, in either manual or automated form, which is necessary for the conduct of the department’s business and which is kept and maintained by the department’s personnel office.

(Effective August 22, 1986)

Sec. 16-2-8b. Categories of information in the department’s personal data system

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 - (35) Tuition reimbursements
 - (36) Unemployment slips
 - (37) Waiver of appointments
 - (38) Workers' Compensation records
- (Effective August 22, 1986)

Sec. 16-2-8c. General nature and purpose of personal data system

(a) The nature and purpose of the employee personal data file system is to maintain accurate and current information regarding department employees' employment qualifications; employment history; relevant tax information; payroll related data and any other information necessary for the conduct of the department's personnel and employee related functions.

(b) The employee personal data file system is both manual and automated and is located at the office of the Department of Public Utility Control, One Central Park Plaza, New Britain, Connecticut. The department is responsible for maintaining

the system and requests for disclosure or amendment of information should be made in care of the department's personnel director.

(c) Employee personal data system is comprised of information contained in the individual employment files of each department employee.

(Effective August 22, 1986)

Sec. 16-2-8d. Maintenance of personal data

(a) Any personal data not relevant and necessary to accomplish the lawful purpose of the agency shall be disposed of in accordance with the department's record retention schedule, or upon permission from the Public Records Administrator to dispose of said records under Connecticut General Statutes, Section 11-8a.

(b) The department shall when practical and consistent with its needs and purpose, collect personal data directly from the person to whom a record pertains.

(c) All employees who function as custodians for the department's employee personal data file system, or are involved in the operation thereof, shall be given a copy of the provisions of the Personal Data Act; these regulations; and a copy of the Freedom of Information Act.

(d) All such departmental employees shall take reasonable precautions to protect personal data under their control or custody from the danger of fire, theft, flood, natural disaster and other physical threats.

(e) The department shall incorporate by reference the provisions of the Personal Data Act and these regulations in all contracts, agreements or licenses for the operation of a personal data system or for research, evaluation and reporting of personal data for the department or on its behalf.

(f) Another state agency requesting personal data from the department must insure that the personal data is maintained in accordance with the provisions of the Personal Data Act.

(g) Access to the employee personal data system is restricted to agency employees who the director of personnel has determined requires such information as necessary to discharge their supervisory, administrative, or management responsibility. In each instance the employee shall have a specific need to review the personal data records for a lawful purpose.

(h) The personnel office will maintain a complete up-to-date record of individuals entitled to review the department's employee personal data file system.

(i) Information contained in the department employee personal data file system shall not be duplicated, except when necessary, and for good cause. All information contained in the employee personal data file system will be considered confidential, will be transmitted in a manner to protect confidentiality, and will be maintained in a locked file system where access is controlled. In the event it is necessary to send personal data records through interdepartmental mail such records will be sent in envelopes or boxes sealed and marked "confidential."

(j) The automated data system equipment and records shall be located in a limited access area.

(k) The personnel office will require visitors to the limited access area to sign a visitors' log before permitting access to said area. Access shall be permitted only on a bona fide need-to-enter basis.

(l) Regular access to the limited access area shall be limited to its operations personnel.

(Effective August 22, 1986)

Sec. 16-2-8e. Disclosure of employee personal data file system information

(a) Any individual may request from the department whether the agency maintains personal data on that individual; the category and location of the personal data maintained on that individual and procedures available to review said information. Within four business days of receipt of said written request, the agency shall mail or deliver to the requesting individual a written response in plain language.

(b) Except where prohibited by law, the department shall disclose to any person upon request all personal data concerning that person which is maintained by the department. Such disclosure shall be conducted so as not to disclose any personal data concerning persons other than the individual requesting such information.

(c) Agency personnel shall verify the identity of any person requesting access to his or her own personal data.

(d) The department may refuse to disclose to a person medical, psychiatric or psychological data regarding that person if it is determined by the agency that such disclosure would be detrimental to the person, or if such nondisclosure is otherwise permitted or required by law. If the department refuses to disclose medical, psychiatric or psychological data to a person, it must inform the person of his or her right to seek judicial relief pursuant to the Personal Data Act.

(e) If the department refuses to disclose medical, psychiatric or psychological data to a person based on its determination that disclosure would be detrimental to that person and the nondisclosure is not mandated by law, the department shall, at the written request of such person, permit a qualified medical doctor to review the personal data contained in the person's record to be determined if the personal data should be disclosed. If nondisclosure is recommended by such person's medical doctor, the department shall not disclose the personal data and shall inform such person of the judicial relief provided under the Personal Data Act.

(f) A record shall be maintained of each person, individual, agency or organization who has obtained access to or whom disclosure has been made of personal data in accordance with Section 4-193 (c) of Connecticut General Statutes, together with a reason for each such disclosure or access. This log must be maintained for not less than five years from the date of such disclosure or access or for the life of the personal data record, whichever is longer.

(Effective August 22, 1986)

Sec. 16-2-8f. Procedures for contesting content

The following procedure shall be used in order to provide an opportunity to contest the accuracy, completeness or relevancy of personal data:

(a) Any individual may file a request with this department for correction of personal data pertaining to him or her.

(b) Within thirty days of receipt of such request, the department shall notify such individual that it will make the correction, or if the correction is not to be made as submitted, the department shall state the reason for its denial of such request and notify the person of his or her right to add his or her own statement to his or her employee personal data file.

(c) Following such denial by the department, the individual requesting such correction shall be permitted to add a statement to his or her personal data record setting forth what that person believes to be an accurate, complete and relevant version of the personal data in question. Such statements shall become a permanent part of the department's employee personal data system and shall be disclosed to any individual, agency or organization to which the disputed personal data is disclosed.

(Effective August 22, 1986)

Sec. 16-2-8g. Uses to be made of the personal data

(a) The following types of users have routine access to the records listed, for the purpose set forth:

- (1) Administrative Services Officer 3: administers personal policies;
- (2) Administrative Services Officer 1: administers personnel policies;
- (3) Senior Affirmative Action Officer: monitors personnel actions for compliance with affirmative action policies;
- (4) Business Services Officer: performs payroll related functions;
- (5) Personnel Assistant: processes and files personal data records;
- (6) Administrative Secretary: files and maintains personal data records;
- (7) Payroll Clerk: performs payroll related functions;
- (8) Senior Clerk: files and maintains personal data records.

(b) When an individual is asked to supply personal data to the department, the department shall disclose to that individual, upon request:

- (1) The name of the department and division within the department requesting the personal data;
- (2) The legal authority under which the department is empowered to collect and maintain the personal data;
- (3) The individual’s right pertaining to such records under the Personal Data Act and department regulations;
- (4) The known consequences arising from supplying or refusing to supply the requested personal data;
- (5) The proposed use to be made of the requested personal data.

Sec. 16-2-8h. Record retention schedule

<i>Record Title</i>	<i>Minimum Retention Required</i>
Affirmative Action Plan	7 years or until superceded, whichever is later
Applications for employment (hired)	permanent employee file*
Applications for employment (not hired)	5 years
Arbitration folder (suggested arrangement by subject)	5 years
Certification and Exam request forms (form 8 and 9)	1 year after life of list
Certification of Eligibles	1 year after life of list
CETA	1 year after audit—Central CETA file kept by State Personnel
Correspondence relating to personnel action	3 years
Credit Union Deductions	until audited, or 3 years, whichever is later
Employee Health Benefit form after termination other than retirement	1 year after date of employee termination
Employee history cards	55 years after termination
Employee performance appraisals, including Managerial MIP	permanent employee file*
Employees’ time sheets	until audited, or 3 years, whichever is later
Former employees’ permanent files (terminated files)	55 years after termination
Inquiry regarding availability for appointment	5 years
Job Specifications	until superceded
Longevity Increases	until audited, or 3 years, whichever is later
Medical Certificates (P33)	permanent employee file*

Medical Forms/Options changes in medical coverage	permanent employee file*
Military Service	permanent employee file*
Monthly Personnel Status Reports (sent to OPM)	1 year
MPS exam and records	5 years or as prescribed by an inhouse plan, whichever is later
Notice of Personnel Action (201)	permanent employee file*
Personnel Position Change (200)	3 years
Prior State Service	permanent employee file*
Record of Overtime Pay	until audited, or 3 years, whichever is later
Records of grievances	5 years
Records of recruitment for individual vacancies	5 years
Request for Temporary Service	1 year
Request for Temporary Service in Higher Class	permanent employee file*
Request for Transfer	varies depending on collective bargaining agreement
Resumes (not hired)	5 years
Retirement Forms including retirement application, refund of retirement money, etc.	permanent employee file*
Routine Correspondence	2 years
Salary Schedules	until superceded
Tuition Reimbursements	until audited, or 3 years, whichever is later
Unemployment slips (UC-61)	permanent employee file*
Waiver of Appointments	1 year after life of list
Workers' Compensation Records	permanent employee file*

* Fourteenth item entitled "Former employees' permanent files (terminated files)," specifies retention period for this record

(Effective August 22, 1986.)

Part 2

Course and Method of Operation

Subpart A. Office of the Commissioners

Sec. 16-2-9. Commissioners

The Authority consists of five commissioners who have overall responsibility for the operation of the Authority. Each commissioner is appointed by the governor with the advice and consent of the general assembly. The commissioners exercise equal responsibilities and duties in all policy, planning and quasi-judicial functions. The commissioners elect a chairperson and vice-chairperson who serve one year terms. The commissioners are assisted in performing their administrative and quasi-judicial functions by assistants to the commissioners.

(Effective December 7, 1978)

Sec. 16-2-10. Chairperson

The chairperson may assign panels of three commissioners to any matter coming before the Authority. The chairperson serves as the chief executive of the Authority

for administrative purposes. The chairperson is assisted in his administrative and quasi-judicial functions by an assistant to the chairperson.

(Effective December 7, 1978)

Sec. 16-2-11. Vice-chairperson

The vice-chairperson serves as the Authority's chief executive in the absence of the chairperson.

(Effective December 7, 1978)

Sec. 16-2-12.

Repealed, February 7, 1980.

Subpart B. Adjudication Division

Sec. 16-2-13. Adjudication division

The Adjudication Division is headed by a director and consists of the adjudication unit and the executive secretary's office.

(a) There is established a division of adjudication within the Department of Public Utility Control. The staff of the division shall include but not be limited to, hearing examiners appointed pursuant to subsection (c) of Section 16-2 of the General Statutes of Connecticut. The responsibilities of the division shall include, but not be limited to, hearing matters assigned under said subsection and advising the chairperson of the public control authority concerning legal matters.

(b) The staff of the executive secretary's office is responsible for maintaining the Authority's official dockets pertaining to all applications, petitions, requests and other filings. The executive secretary's staff receives, processes, and distributes records related to the dockets to technical staff and participants in the docket. The staff provides incoming and outgoing mail service for the agency. The staff is responsible for the distribution of draft decisions, notices of hearings and meetings, the issuance of final decisions of the authority and making the same available to the public. The staff manages the agency's data processing activities by developing, revising, and maintaining computer programs, maintaining computer hardware and software, coordinating word and data processing training efforts; provides courier services, manages and dispenses office supplies, and provides functional support services. The executive secretary's staff is responsible for the issuance of transportation certificates and permits.

(Effective August 18, 1988)

Secs. 16-2-14—16-2-17.

Repealed, August 18, 1988.

Subpart C. Advocacy and Operations Division

Sec. 16-2-18. Advocacy and operations division

The division is headed by a director and consists of the Business Office, the Human Resources Development Unit, the Prosecutorial Unit, the Communications and Consumer Services Unit, the Gas Pipeline Safety Unit, and the Utility Operations and Management Analysis Unit.

(a) The business office plans and monitors budgeted resources in compliance with budget provisions; handles administrative support functions; processes travel

authorizations, reimbursements, all purchases and administers accounts receivable and accounts payable including payroll and benefits programs.

(b) The Human Resources Development Unit plans and coordinates all agency employment activity including recruitment, screening, hiring, promotion, transfer, separation, training, labor relations and develops and administers the agency's affirmative action plan pursuant to the General Statutes of Connecticut. The staff of this unit counsels and refers employees regarding personnel and affirmative action related complaints. The staff develops and implements procedural forms and maintains records for the agency relating to all personnel and affirmative action related matters.

(c) The prosecutorial unit represents the overall public interest by presenting and defending an alternative case as a party in large utility rate proceedings; offers testimony and is subject to cross-examination; attempts to ensure that the record in such cases includes full development of state energy policy and probes utility company assumptions and assertions; may serve as staff in other matters before the department and cross-examines witnesses in hearings.

(d) The Communications and Consumer Service Unit is responsible for maintaining communications between the public and the authority. The staff responds to utility customer complaints, resolves consumer/utility disputes regarding billing and service, and analyzes complaints to detect systematic problems affecting groups of customers. The staff provides decision summaries to interested ratepayers and may cross-examine witnesses in hearings. The staff also keeps the authority fully advised of consumer problems and attitudes.

(e) The Gas Pipeline Safety Unit's technical staff monitors pipeline safety plans and activities of Connecticut's gas pipelines to ensure that all relevant federal and state laws and regulations are being complied with and that the safety of the citizens of Connecticut is protected. The technical staff inspects interstate and intrastate gas pipeline operations in Connecticut.

(f) The Utilities Operations and Management Analysis Unit is responsible for the conduct of authority mandated management audits of Connecticut's utilities. These audits, under authority supervision, may be conducted by independent managerial consulting firms, authority technical staff or utility staff. The unit develops the scope of the audit, supervises the audit process, evaluates the findings, and makes final recommendations to the authority. The unit recommends implementation procedures and monitors compliance with audit recommendations.

(Effective August 18, 1988)

Sec. 16-2-19. Schedule for managerial audits; hearing examiners

The electric, gas and telephone utilities are audited every three years with a possible waiver to six years. Water companies are audited at the discretion of the Authority. Staff members may be appointed to conduct authority hearings and act as hearing examiners.

(Effective August 18, 1988)

Subpart D. Utility Regulation and Research Division

Sec. 16-2-20. Utility regulation and research division

The Utility Regulation and Research Division is headed by a director and consists of the Utility Regulation Unit and the Research and Policy Unit. The staff provides information and analysis to the commissioners for decisions in department cases including general rate proceedings and generic investigations. The staff reviews

filed material, submits interrogatories, cross-examines witnesses, and participates in drafting agency decisions for review by commissioners and hearing officers.

(a) The Research and Policy Unit Staff reviews, analyzes and interprets agency activities and decisions in the light of broad regulatory policy; conducts generic studies and investigations; informs commissioners and staff about regulatory actions of other states; analyzes data provided by parties in major dockets; cross-examines witnesses; and coordinates the agency's legislative activities.

(b) The utility regulation unit consists of the water section, gas section, transportation section, electric section and telecommunications section. The five sections are each headed by a supervisor who supervises technical staff trained in engineering, accounting, rates design, finance, economics and transportation. The technical staff in each section performs complex investigations of utility related rates, accounting, finance, engineering and generic matters pending before the department. The technical staff examines, calculates, and/or verifies current and proposed rates and revenues of all regulated utilities; maintains the integrity of each utility company's tariffs; addresses such other matters as new construction, electric and gas fossil fuel clauses, utility conservation, cogeneration, and various generic topics; applies results of cost-of-service analyses of utility operations. The technical staff analyzes prior expense submissions, expense projections, return on equity levels, revenue requirements, and proposals to issue new debt or equity capital; monitors company's compliance with appropriate accounting systems. The staff examines the design, construction, and cost appropriateness of utility plant; reviews depreciation schedules; monitors compliance with state and federal safety and other standards; investigates utility related fatalities and accidents.

(Effective August 18, 1988)

Part 3

Public Information

Sec. 16-2-21. Policy

The Authority shall make available for public inspection all files, records, documents and other materials within its possession and not exempt from disclosure by statute. Disclosure shall be made pursuant to Section 16-2-22 of these regulations. The executive secretary's staff is responsible for the dissemination of public records in accordance with Chapter 3 of the General Statutes.

(Effective August 18, 1988)

Sec. 16-2-22. Requests for information

The public may obtain information concerning the Authority by writing to the Authority at its office address or by visiting its office during normal business hours. Requests for information should be directed to the Department of Public Utility Control, Executive Secretary, One Central Park Plaza, New Britain, Connecticut 06051. There is no prescribed form for requests for information. Requests should be sufficiently specific to permit easy identification of the information requested. Simple requests may be made orally, in person or by telephone; detailed requests should be in writing. Persons requesting information will be required to pay reasonable reproduction costs in accordance with Section 1-15 of the General Statutes of Connecticut.

(Effective August 18, 1988)

Sec. 16-2-23. Complaints

All consumer complaints should be addressed to the Department of Public Utility Control, Communications and Consumer Service Unit, One Central Park Plaza, New Britain, Connecticut 06051. All other complaints should be sent to the Department of Public Utility Control, Executive Secretary, One Central Park Plaza, New Britain, Connecticut 06051.

(Effective August 18, 1988)

Sec. 16-2-24. Public inspection

All regulations and all other written statements of policy or interpretations formulated, adopted, or used by the Authority in the discharge of its functions and all final orders, decisions and opinions of the Authority are available to the public in the Office of the Executive Secretary, One Central Park Plaza, New Britain, Connecticut, 06051.

(Effective August 18, 1988)

Sec. 16-2-25. Authority meetings open to the public

The meetings of the Authority shall be open to the public in accordance with the provisions of Section 1-21 of the General Statutes of Connecticut.

(Effective August 18, 1988)

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Termination of Electric, Gas, Water and Sewage Utility Service

Sec. 16-3-100. Termination of utility service

(a) **Definitions.** As used in this section:

(1) “Customer” or “customer of account” means any person or entity which has contracted with a utility company for utility service. If residential utility service has gone to the joint benefit of spouses or to the support of their family then both spouses are customers of the utility company even if only one spouse expressly contracted with the company for residential utility service. For the purposes of subsection (j) of this section, the spouse who expressly contracted for residential utility service is the named customer and the spouse who did not expressly contract for such service is the unnamed customer;

(2) “Residential customer” means a customer who contracts with a utility company for utility service at residential premises for domestic purposes;

(3) “Commercial customer” or “Industrial customer” means a customer who contracts with a utility company for utility service at nonresidential premises, whether for profit or not for profit;

(4) “Interruptible customer” means a commercial or industrial customer who contracts with a utility company for utility service on an interruptible basis which usually requires the availability of an alternate fuel;

(5) “Delinquent account” means a bill for utility service which has remained unpaid for a period of more than 33 days from the date a bill is mailed by a utility company which bills upon a monthly basis; or a bill for utility service which has remained unpaid for a period of more than 63 days from the date a bill is mailed by a utility company which bills on a bi-monthly or quarterly basis, except for a bill for utility service from a municipal water utility which becomes delinquent in accordance with the regulations of the governing body. No partial payment of any delinquent account shall affect the delinquent status of the amount remaining unpaid on such account;

(6) “Hardship” or “hardship case” means a person receiving or seeking reinstatement of residential gas or electric utility service from November 1st to April 15th who lacks the financial resources to pay his or her entire bill for gas and electric utility service, including but not limited to:

(A) A person receiving local, state, or federal public assistance, including but not limited to:

- (i) aid to the blind;
- (ii) aid to families with dependent children;
- (iii) old age assistance;
- (iv) aid to the disabled;
- (v) Medicaid;
- (vi) supplemental security income; or
- (vii) general assistance;

(B) A person whose sole source of financial support is derived from social security, veterans’ administration or unemployment compensation benefits;

(C) A person who is head of the household and unemployed, and whose household income is less than three hundred per cent of the poverty level determined by the federal government;

(D) A person or any resident of the person’s home who is seriously ill, as certified by a registered physician in accordance with subsection (e) (2) of this section, or has a life threatening situation;

(E) A person whose income falls below one hundred twenty five per cent of the poverty level as determined by the federal government in accordance with the income poverty guidelines from the regional office of family assistance, Department of Health and Human Services or its successor agency; or

(F) A person whose circumstances threaten a deprivation of the necessities of life for himself or herself or dependent children of his or her household if payment of a delinquent utility bill is required;

(7) "Head of household" means a customer who provides the major source of income for himself or herself and dependent children of the household;

(8) "Necessities of life" means those things without which survival would be endangered, including but not limited to food, clothing, shelter, medical expenses, and heat;

(9) "Department of Public Utility Control" or "DPUC" means the Department of Public Utility Control;

(10) "DPUC hearing officer" means a hearing officer designated by the DPUC to conduct hearings pursuant to subsections (f) and (g) of this section. A DPUC hearing officer may be a member of the DPUC's staff who performs functions unrelated to conducting hearings but shall not be a person who has participated in the investigation in the same case pursuant to subsections (f)(3) and (g)(2) of this section;

(11) "Reasonable amortization agreement" means a promise to a utility company to pay a delinquent account over a period of time;

(12) "Receipt" or "received" means three days after the date of mailing, or, if a bill, notice or other document is delivered rather than mailed, the date of delivery, unless another date can be shown;

(13) "Residential utility service" means utility service provided by a utility company to a customer at a place of residence;

(14) "Review officer" means a person designated by a utility company to investigate customer complaints and to undertake informal reviews as provided in subsections (f) and (g) of this section. A review officer may be any employee of the utility company other than a member of the utility company's credit department who has previously participated in the investigation; provided, however, that if the utility company employs fewer than 25 full time employees, a member of the credit department may act as review officer. A review officer shall be empowered to review and overrule determinations of members of the utility company's credit department on subjects within the review officer's authority as prescribed in subsections (f) and (g) of this section;

(15) "Termination" or "terminate" means the voluntary discontinuance of service to an individual utility customer but shall not include interruption or curtailment of service consistent with interruption pursuant to DPUC-approved tariffs or resulting from forced outages, energy or capacity shortages or other emergencies;

(16) "Utility company" or "company" means any gas, electric, or water company, corporation or other entity within the jurisdiction of the DPUC which provides utility service and any municipal utility which furnishes electric, gas or water service. In the case of municipal utilities, the provisions of this section shall apply to termination of residential service for nonpayment of a delinquent account. Subsections (b)(3)(A), (b)(3)(B) and (f) of this section shall apply only to companies providing residential electric or gas service;

(17) "Utility service" means the provision of gas, electricity, or water by a utility company to a customer at retail rates and shall include, without limitation, residential utility service;

(18) "Identification" means a social security number, the number of an identity card issued pursuant to section 1-1h of the Connecticut General Statutes, the number of a motor vehicle operator's license issued pursuant to section 14-36 of the Connecticut General Statutes or any other means of identification approved by the Department of Public Utility Control;

(19) "Household income" means the combined income over a twelve month period for the customer and all adults, except minor children of the customer, who are and have been members of the household for six months or more;

(20) "Life threatening situation" means a condition certified by a registered physician that would endanger the life of the customer or a member of the customer's household if gas or electric service were terminated;

(21) "Business office" means any office facility that is operated by the utility company;

(22) "Energy assistance" means any payment credited to the customer's account which is administered by the Department of Social Services (DSS) and drawn from programs funded, administered or offered by any local, state or federal government, including but not limited to, the Connecticut Energy Assistance Program (CEAP) and State Appropriated Fuel Assistance Program (SAFA);

(23) "Customer payment" means any payment or payments, other than energy assistance, made by or on the behalf of a customer; and

(24) "Day" means calendar day.

(b) **Grounds for termination; termination with and without notice:** utility service may be terminated only for the reasons listed below.

(1) Grounds for termination of service without notice. Utility service may be terminated without notice only for the reasons listed below:

(A) in the event that the provision of the utility service would constitute a condition determined by the utility company to be hazardous.

(2) Grounds for termination of service with notice. Utility service may be terminated with notice for the reasons specified below only in accordance with the procedures set forth in subsection (d) of this section:

(A) in the event that the furnishing of service would be in contravention of any orders, ordinances or laws of the federal government or by the State of Connecticut or any political subdivision thereof;

(B) where residential service is being provided pursuant to an agreement whereunder the customer is permitted to amortize the delinquent balance of an account for service provided to that customer over a reasonable period of time, and the customer fails to comply with the terms of the agreement, or to simultaneously keep current the customer's account for utility service as charges accrue in each subsequent billing period. Where the customer has made a payment or payments amounting to 20% of the balance due, notice pursuant to subsections (d)(1)(A) and (d)(1)(B) of this section of the conditions the customer must meet to avoid termination of service shall be required. Such notice shall not entitle the customer to further review as provided by subsection (f) of these regulations or to additional notice upon subsequent payment of 20% of the balance due. The provisions of this subparagraph (B) shall not apply from November 1st to April 15th to residential customers receiving electric utility service, who have been determined to be hardship cases and to lack the financial resources to pay the entire account. From November first to April fifteenth, inclusive, no gas company and no municipal utility furnishing gas shall terminate or refuse to reinstate residential gas service in hardship cases where the customer uses such gas for heat and lacks the financial resources to pay his or her

entire account, except a gas company that, between April sixteenth and October thirty-first, terminated gas service to a residential customer who uses gas for heat and who, during the previous period of November first to April fifteenth, had gas service maintained because of hardship status, may refuse to reinstate the gas service from November first to April fifteenth, inclusive, only if the customer has failed, since the preceding November first, to make a customer payment of the lesser of: (i) twenty percent of the outstanding principal balance owed the gas company as of the date of termination; (ii) one hundred dollars, or (iii) the minimum payments due under the customer's reasonable amortization agreement;

(C) in the event of tampering with water pipes, meters or other utility equipment by the customer of a water company;

(D) fraud or material misrepresentation in obtaining utility service;

(E) customer use of equipment in such a manner as to adversely affect the utility's equipment or the utility's service to others, after the customer has first been notified and afforded an opportunity to remedy the interfering influence;

(F) violation of or non-compliance with the rules of the utility which have been filed with and approved by the DPUC;

(G) failure of the customer to provide the utility reasonable access to its equipment, or in the event access thereto is obstructed or hazardous;

(H) customer failure or refusal to reimburse the utility for repairs to or loss of utility property on the customer's property when such repairs are necessitated or loss is occasioned by the intentional or negligent acts of the customer or his agents; provided, however, that for the purpose of this section 16-3-100 "utility property on the customer's property" shall not be deemed to include hot water heaters or other similar equipment furnished to the customer under a separate contract and not used in connection with the furnishing of utility service;

(I) failure of the customer to furnish such service, equipment, permits, certificates or rights-of-way as shall have been specified by the utility company as a condition to obtaining service, or if such equipment or permissions are withdrawn or terminated;

(J) non-payment of a delinquent account, provided that the utility company has notified the customer of the delinquency and has made a diligent effort to have the customer pay the delinquent account. The utility company shall be deemed to have made a diligent effort to have the customer pay the delinquent account if it complies with all procedures prescribed in subsections (c) through (h) of this section;

(K) failure of a non-residential customer to fulfill any other obligation under the customer's contract with the utility company;

(L) in the event unauthorized unmetered service or unauthorized metered service is found to be used; or

(M) In the event of a person's failure to provide identification no later than 15 days of opening an account.

(3) Exceptions. Notwithstanding subdivisions (1) and (2) of this subsection, no utility company shall:

(A) terminate service to any gas or electric residential customer whose service is subject to termination for a delinquent amount until the company first offers the customer an opportunity to enter into a reasonable amortization agreement. The specifics of the reasonable amortization agreement may vary according to the particular case and shall be determined by both utility company and customer receiving residential utility service. Such agreement shall be subject to change upon the showing by the customer of a change in financial circumstances. When a reasonable

amortization agreement has been made with a residential utility customer, the company may charge a rate of interest on the unpaid balance of that customer's delinquent account. This interest shall be simple non-cumulative interest, at the rate of 6% per annum or 1/2 of 1% per month;

(B) terminate or refuse to reinstate, from November 1st to April 15th, inclusive, residential electric or gas service in hardship cases, provided, however, from November first to April fifteenth, inclusive, no gas company and no municipal utility furnishing gas shall terminate or refuse to reinstate residential gas service in hardship cases where the customer uses such gas for heat and lacks the financial resources to pay his or her entire account, except a gas company that, between April sixteenth and October thirty-first, terminated gas service to a residential customer who uses gas for heat and who, during the previous period of November first to April fifteenth, had gas service maintained because of hardship status, may refuse to reinstate the gas service from November first to April fifteenth, inclusive, only if the customer has failed, since the preceding November first, to make a customer payment of the lesser of: (i) twenty percent of the outstanding principal balance owed the gas company as of the date of termination; (ii) one hundred dollars, or (iii) the minimum payments due under the customer's reasonable amortization agreement;

(C) terminate residential utility service to the home of any customer during such time as any resident therein is seriously ill or in a life threatening situation, as certified to the utility company by a registered physician in accordance with the procedures prescribed in section 16-3-100(e);

(D) terminate utility service to a customer during the pendency of any complaint, investigation, hearing or appeal initiated by such customer under subsections (f) and (g) of this section; provided, however, that nothing in this subparagraph shall be construed to relieve a customer of the obligation to pay any undisputed bill or portion thereof during the pendency of any such complaint, investigation, hearing or appeal nor shall prohibit the company from interrupting service to interruptible customers consistent with DPUC-approved tariffs;

(E) terminate utility service in any manner which would violate any provision of the Connecticut General Statutes;

(F) refuse to reinstate utility service to the home of any former customer if any resident therein becomes seriously ill or a life threatening situation occurs, and as certified to the utility company by a registered physician in accordance with the procedures prescribed in section 16-3-100(e);

(G) terminate or deny utility service for failure to pay for merchandise purchased from the utility;

(H) terminate or deny utility service for failure to pay for a different type of utility service (i.e. electric and gas or repair of customer owned or rented equipment) or for a different class of service (i.e. commercial or residential) at the same or another location or for repair of customer owned or rented equipment;

(I) terminate or deny utility service for failure to pay the bill of another customer as guarantor thereof;

(J) terminate or deny utility service for failure to pay a charge found to be improper for billing purposes under sections 16-11-23, 16-11-35, 16-11-71, 16-11-83, 16-11-84, 16-11-110, and 16-11-120 of the Regulations of Connecticut State Agencies;

(K) terminate or deny utility service for failure to pay an estimated bill unless the customer refuses to provide access for the reading of the meter during the company's normal working day or to provide a customer reading, except where the

company may estimate a bill in accordance with sections 16-3-102, 16-11-34, 16-11-35, 16-11-71, 16-11-107, and 16-11-102 of the Regulations of Connecticut State Agencies;

(L) terminate or deny utility service for delinquency in payment for service by a previous occupant of the premises to be served;

(M) threaten to terminate or to take other actions that cannot legally be taken;

(N) terminate utility service for any of the reasons provided in subsection (b)(2) of this section, on any Friday, Saturday, Sunday, state or federal holiday or day before any state or federal holiday or at any time during which the business offices of the company are not open to the public or within one hour before the closing of such offices, except that a commercial or industrial customer's utility service may be terminated on a Friday provided that the utility company's business offices are open on Saturdays;

(O) terminate, between November 1 and April 15, gas or electric service to a residential customer whose service is subject to termination for nonpayment of a delinquent account until the company first gives the customer, in person or by certified mail, notice of the customer rights as filed with the DPUC in accordance with subsection (c)(2) of this section; or

(P) terminate or refuse to reinstate gas or electric service provided at interruptible rates to singly metered multi-unit residential buildings in cases where the customer has failed to curtail usage. In such cases the company shall comply with the requirements of subsection (I) of this section, and may transfer the customer to the most advantageous firm rate.

(c) Notice to customers of rights under this section:

(1) Every utility company shall file with the DPUC no later than 45 days of the enactment of these regulations a brief explanation of the rights of customers provided under this section. The DPUC may require any modification in the explanation as it deems necessary to insure actual notice to customers of the provisions of this section.

(A) Such explanation shall be available upon request at each office of the company;

(B) Every utility company shall send to each of its customers at least once a year and to each new customer upon initiation of service notice that such explanation is available upon request to the company;

(C) Every termination notice issued by a utility company shall contain or be accompanied by such explanation; and

(D) Any utility company which has a substantial number of Spanish speaking people living within its service area shall provide the foregoing explanation in Spanish and in English.

(2) In addition to the requirements set forth in subdivision (1) of this subsection, every gas and electric company shall file with the DPUC no later than 45 days of the enactment of these regulations an explanation of the rights of the customers provided under subsection (f) of this section.

(d) Notice of termination.

(1) Service may be terminated only in accordance with the following notice requirements:

(A) Except where service is disconnected pursuant to the provisions of subsection (b)(1) of this section no utility company shall terminate service to a customer prior to 13 days after notice of the proposed termination has been sent by first class mail to the address of and addressed to the customer to whom service is billed and to

any third party designated by the customer pursuant to section 16-3-100(h) and prior to compliance with section 16-3-100(i). When a person opening an account with a utility company does not provide identification, the company shall furnish the service and provide notice that the service may be terminated pursuant to section 16-3-100(b)(2)(M) if, after fifteen days, identification is not provided.

(B) If service is not terminated prior to the mailing of a subsequent termination notice, service may not be terminated prior to the latest date specified by the company pursuant to subdivision (2)(c) of this subsection, except that, if an electric or gas company has issued a notice under subsection (d)(1)(A) of this section but failed to terminate the electric or gas service prior to issuing a new bill to the customer, the company shall mail an additional notice of the impending termination to the customer prior to termination of the electric or gas service. Such notice shall be addressed to the customer and sent via first class mail at least thirteen days, or certified mail at least seven days, prior to termination of the electric or gas service. If the electric or gas company provides multiple dates of termination to the customer, the company shall not terminate the electric or gas service prior to the latest of said dates, or for balances that are not delinquent in accordance with subsection (d)(1)(A) of this section. For purposes of this section, the thirteen-day period and seven-day period shall commence on the date that the notice is mailed.

(C) If an electric or gas company fails to terminate the electric or gas service in 120 days or less after the mailing of a notice of termination, the company shall mail another notice to the customer at least 13 days prior to termination.

(D) In addition to the termination notices required in subparagraphs (A) and (B) of this subdivision, an electric or gas company shall send a notice via first class mail to the customer, which notice shall state the amount of the delinquent balance of the customer's account and inform the customer that the termination notice remains in effect.

(2) Every termination notice shall contain or be accompanied by:

(A) a statement of the grounds for the proposed termination;

(B) the conditions required to prevent termination of service;

(C) the date after which service may be terminated unless the required conditions are met;

(D) the conditions for restoration of service if service is terminated, including but is not limited to, any reconnection fee or the possibility of the requirement of a deposit; and

(E) a brief explanation of the customer's rights under section 16-3-100 (c).

(3) No termination notice shall be sent to any customer prior to the time said customer has a delinquent account as defined in section 16-3-100 (a)(2), or prior to the existence of any of the grounds for termination set forth in section 16-3-100 (b)(2).

(4) If, following the receipt of a terminization notice or the entering into of a reasonable amortization agreement, the customer makes payment or payments totaling 20% of the balance due, service may not be terminated prior to 13 days after the mailing of a subsequent termination notice in accordance with the provisions of subsections (d)(1) and (d)(2) of this section. Such subsequent notice shall not entitle such customer to further review as provided by section 16-3-100 (g) or to additional notice upon subsequent payment of 20% of the balance due.

If utility service is terminated without notice the company shall keep a record of the conditions which caused the termination. In addition the company shall attempt to notify the customer in a reasonable manner at the time of termination of the

conditions which justified the termination, the conditions which must be met to have service restored and the appropriate means of contacting the company for restoral of service. If the customer is not so notified at the time of termination a statement of the above required information shall be left at the premises of the customer.

(e) Termination and serious illness.

(1) As provided by section 16-3-100 (c), every termination notice sent to a customer receiving residential utility service shall include or be accompanied by an explanation of the customer's rights under this section. Such explanation shall plainly indicate that the utility company may not terminate residential utility service to the home of any customer during such time as any resident therein is seriously ill, if the existence of such serious illness is certified to the utility company in accordance with the requirements of section 16-3-100 (e)(2) no later than 13 days after the mailing of the termination notice and if the certification is renewed every 15 days if the doctor has not specified the length of the illness. Such serious illness notice shall also plainly indicate that the utility company has the right to contest before the DPUC the validity of any serious illness certification it might receive.

(2) A registered physician's certification of serious illness or life threatening situation shall be sufficient if initially made by telephone, subject to the right of the utility company to confirm the validity of the physician's call. If the certification is made by telephone, the utility company shall send to the physician a copy of its certification form, and the certifying physician shall complete and return the certification form to the company no later than seven days after receipt of such form. All certification forms shall contain information required by the department, including but not limited to the following: (A) The name and address of the patient, (B) whether the condition is a serious illness or a life threatening situation, (C) the length of the serious illness or life threatening situation, and (D) the certifying physician's office address and telephone number.

(3) In cases where residential utility service is continued pursuant to a serious illness certificate or life threatening situation certificate, the customer shall:

(A) Enter into an agreement whereunder the customer is permitted to amortize the unpaid balance of the account over a reasonable period of time, but only while the customer simultaneously keeps current his or her account for utility service as charges accrue in each subsequent billing period except (i) in cases where residential utility service is continued due to a life threatening situation. Customers who are current with the physician's certificate of life threatening situation are expected to remain current with their account or an established reasonable amortization agreement, however they shall not be terminated for failure to remain current with their account or an established reasonable amortization agreement, or (ii) where the customer is determined to be a hardship in accordance with subsections (b)(3)(B) and (f) of this section in which case no such agreement is required between November 1 and April 15; and

(B) renew the serious illness certificate or life threatening situation certificate no later than the last day of the period specified by the physician as the length of the illness or life threatening situation; provided, however, that if the physician has failed to specify the length of the illness or life threatening situation or if the physician has indicated that the length of the illness or life threatening situation is not readily ascertainable, then the serious illness or life threatening situation certificate shall be renewed every 15 days. Each renewal certificate shall be forwarded to the company.

(4) If service is continued pursuant to this subsection and the customer fails to comply with the provisions of subparagraphs (A) or (B) of this subsection, the company may terminate service after providing notice of termination as provided by subsection (d) of this section except that such notice shall not entitle the customer to further review as provided by subsection (f) of this section and service may be terminated after 13 days from the date of mailing of the notice.

(5) If a utility company wishes to contest the validity of a written serious illness certificate, it may request an investigation by the DPUC and a hearing before a DPUC hearing officer pursuant to section 16-3-100 (g). Section 16-3-100 (g)(3) shall apply in all respects to such hearing.

(f) Review of reasonable amortization agreements and hardship cases.

(1) If a residential customer and an electric or gas utility company are unable to reach a reasonable amortization agreement as specified in subsection (b)(3)(A) of this section, or from November 1st to April 15th are unable to agree on whether the customer is a hardship case and lacks the financial resources to pay his or her entire account, the company shall not terminate service, but shall refer the customer to a specified review officer. The review officer shall attempt to reach a reasonable amortization agreement with the customer.

(2) From November 1st to April 15th inclusive, if a review officer cannot reach a reasonable amortization agreement with a residential customer, the review officer shall determine if the customer is a hardship case. The company may request that the residential customer provide written documentation certifying that he or she is a hardship case and may require such documentation from a social service or other aid agency. All gas and electric utility companies shall file their procedures and requirements for determining hardship cases with the DPUC for its review no later than 45 days of the enactment of this section and periodically thereafter as determined by the DPUC.

(3) If the residential customer disagrees with a review officer on a reasonable amortization agreement or on a decision by the review officer as to whether or not the customer qualifies as a hardship case (November 1st to April 15th), the review officer shall provide a written report to said customer. Such report shall provide the DPUC's Consumer Assistance and Information Division's toll free telephone number and inform the customer that, no later than 5 days after the receipt of the report, he or she has the right to appeal to the DPUC's Consumer Assistance and Information Division for an informal investigation. The DPUC's Consumer Assistance and Information Division shall investigate the dispute no later than 5 days after the customer's request.

(4) If the DPUC's Consumer Assistance and Information Division is unable to settle the dispute to the satisfaction of both customer and company, either the customer or the company may appeal in the form of a formal complaint with the DPUC pursuant to part I of article 4 of the DPUC's rules of practice requesting a hearing before a DPUC hearing officer. The provisions of section 16-3-100 (g)(3) shall apply. During the time which a customer is appealing a reasonable amortization agreement or denial of hardship status to a utility company or to the DPUC, no terminations shall be effected.

(5) Nothing in this section shall prohibit a gas or electric utility company from terminating gas or electric service after April 15th and prior to November 1st where a customer has a delinquent account and where no amortization agreement has been made, or where such an agreement made pursuant to these regulations has been broken during the last 12 months except where a customer and the company have

agreed to change the terms of an amortization agreement in accordance with the changed financial circumstances of the customer as provided in section 16-3-100 (b)(3)(A), or where the customer has filed an appeal with the DPUC in accordance with this subsection based upon any of the following grounds: (i) a reasonable amortization agreement could not be reached; (ii) a reasonable amortization agreement was broken; or (iii) the customer has a serious illness certificate or life threatening situation certificate in accordance with subsection (e)(2) of this section.

(g) Review of disputed accounts.

Utility service shall not be terminated for any of the reasons listed in section 16-3-100 (b)(2) while any matter pertaining to a reason for termination is in dispute provided the customer has notified the company of the dispute and the customer pursues the dispute according to the following procedure:

(1) investigation by the company.

(A) If the company has mailed a termination notice to a customer and the customer has made a complaint to the company subsequent to issuance of a termination notice, the company shall not terminate service until it has notified the customer orally or in writing of its resolution of the complaint and that the customer may, no later than 7 days after receipt of such notice, request orally or in writing that the complaint be referred to a review officer. If no request is received no later than 7 days from such notification, service may be terminated with no further notice.

(B) If a matter has been referred to a review officer pursuant to subsection (g)(1)(A) of this section, or if, after contacting a customer service representative of the utility company, a customer notifies the review officer by telephone, by mail or in person no later than 13 days after the mailing of a termination notice that any matter related to the proposed termination remains in dispute, including, without limitation, the existence of serious illness in the customer's residence, the accuracy of the amount of the bill or the proper party to be billed, then the review officer shall investigate the customer's complaint, using any procedures appropriate under the circumstances, including but not limited to actual meter readings, and shall send notice in writing to the customer of the review officer's determination of the dispute. In addition, if requested by the customer, the review officer shall consider whether or not it is appropriate to enter into an agreement whereunder the customer is permitted to amortize the unpaid balance of the account over a reasonable period of time while simultaneously keeping current his or her account for utility service as charges accrue in each subsequent billing period.

(C) The written notice of the decision of the review officer shall be sent to the customer no later than 10 days of the receipt of the customer's complaint and shall contain the following statement: "If you still consider our bill to be inaccurate in any respect or if you have any other complaint pertaining to this matter, you have a right to request a further investigation by the Department of Public Utility Control no later than 10 days of the date of the mailing or delivering of this decision."

(2) Investigation by the DPUC.

(A) Not later than 10 days after the mailing or delivering of the review officer's decision to the customer, the customer or the utility company may request in writing that the DPUC conduct an investigation of the matter in dispute pursuant to section 16-1-116 of the DPUC regulations, and the DPUC shall issue an order forthwith directing that such an investigation be commenced by the DPUC staff no later than seven days after receipt of said request.

(B) After completing its investigation, the DPUC staff shall, if requested by either party, prepare a written report summarizing its findings and shall cause both

parties to receive a copy of such report no more than 10 days after the commencement of such investigation, except, the DPUC, within its discretion and for good cause shown, may have an additional seven days after the expiration of the initial 10 day period to prepare its staff report.

(3) Right to a hearing before a DPUC hearing officer.

(A) If the utility and customer are unable to resolve the dispute based upon the report of the DPUC staff, then no later than 10 days after the mailing of the DPUC staff report, either the customer or the utility company may file a formal complaint with the DPUC pursuant to part 1 of article 4 of the DPUC rules of practice requesting a hearing before a DPUC hearing officer.

(B) Upon the timely filing of such a complaint, the DPUC shall issue an order appointing a hearing officer and requiring that such a hearing be commenced not more than 20 nor less than 10 days after the date of filing, provided the DPUC shall mail notice thereof to the parties in interest at least seven days prior to any such hearing.

(C) Such hearing shall be deemed to be a "contested case" within the meaning of Connecticut General Statutes section 4-166(2) and section 16-1-2(e) and sections 16-1-16 through 16-1-44, inclusive, of the Regulations of Connecticut State Agencies.

(D) The report of the DPUC staff shall be part of the record in such hearing and shall be given whatever weight the hearing officer and the DPUC may deem appropriate.

(E) Pending final determination, the DPUC may enter any temporary order which it deems just and equitable.

(F) The hearing officer shall ascertain the facts and report thereon to the DPUC and may prepare the DPUC's docket file and order.

(G) Not later than 20 days after the closing of the hearing, the DPUC shall issue a final order in writing.

(H) The final order shall direct services to be continued or terminated forthwith and may impose such terms and conditions as the DPUC deems equitable to both the customer and the company. Nothing in this section 16-3-100 (g) shall prevent either the customer or the utility company from pursuing any available legal or equitable remedies with respect to the DPUC's decision.

(4) Legal remedies preserved. Except when a customer has entered into an arrangement for the payment of past due bills pursuant to subsections (e) or (g) of this section and has complied with all requirements of such arrangement and of subsection (e), (f), or (g) of this section, as appropriate, none of the provisions of this section shall be construed to prevent a utility company or a customer from pursuing, at any time, any legal remedies regarding customer accounts provided, however, that nothing in subsections (f) and (g)(4) of this section shall be construed to entitle a utility company or a customer to more than one hearing concerning the same issues in dispute.

(h) Notification of third parties:

Not later than 45 days after the effective date of this section, each company shall file with the DPUC procedures reasonably designed to implement the provisions of this subsection. The DPUC may require any modifications in the procedure which it deems necessary.

(1) Any customer may request, through the procedure specified in the rules and regulations of the company, that a third person designated by the customer receive copies of all notices sent to the customer pertaining to termination of service.

(2) In no event shall the third party so designated be liable for the bills of the customer, except where that party has previously agreed to be responsible for the bills of the customer.

(3) Following receipt of such a request the company shall send copies of all notices of termination to the designated third party in addition to the termination notice sent to the customer. In no event shall the company be held to warrant that such notice will be received by the third party.

(4) Each company shall maintain a list of the names and addresses of organizations which have notified the company that they are available as third parties to be notified as provided by subsection (h) of this section. Copies of such lists shall be provided by the company to its customers upon the customer's request.

(i) **Termination of service to tenants.**

(1) No later than 45 days after the effective date of this section, each utility company shall file with the DPUC procedures reasonably designed to implement the provisions of this subsection. The DPUC may require any modifications in the procedure as it deems necessary.

(2) A utility company shall not terminate, without first complying with the provisions of this subsection, residential service to a dwelling unit where the company has actual or constructive knowledge that the customer to whom service is billed or members of his or her household are not the exclusive occupants of said premises.

(3) Not later than thirteen days prior to termination, each utility company shall make good faith efforts to notify, using the means most practicable under the circumstances and best designed to provide actual notice, the occupants of the premises subject to termination of their rights to continued service. The notices shall contain:

(A) the date of the proposed termination;

(B) the right of the tenant, if the dwelling units are individually metered, to establish service in his or her own name without liability for the balance owed or a security deposit;

(C) the intent of the company to request the establishment of a receivership or other arrangement, if there is a master meter; and

(D) the telephone number and address of the local office of the company and the telephone number and address of the DPUC.

(4) Where the dwelling units are individually metered and an occupant of a unit notifies the company of his or her desire to establish service in his or her own name, the occupant shall be permitted to do so.

(A) The occupant shall not be liable for any portion of the amount billed for service to the premises previous to the establishment of the account in the occupant's name.

(B) The occupant shall not be required to pay a security deposit as a condition of establishing the account in his or her name.

(C) The occupant shall be notified of his or her right to deduct the full amount of his or her payment for such utility service from his or her rent.

(5) Where service is provided through a master meter, the company may, with the written agreement of all of the occupants, establish service in the name of the occupants, pursuant to a plan for billing and payment agreeable to all of the parties;

(A) All of the provisions of subdivision (3) of this subsection shall apply;

(B) Service shall not be terminated if payment of the agreed share of any of the occupants is received on the account;

(C) This arrangement may be discontinued by the company 13 days after mailing written notice of its intent to discontinue the arrangement to all of the parties;

(D) This arrangement shall be discontinued upon the written request of any of the occupants to the company. The company shall promptly send a notice of the discontinuance to each of the occupants and the arrangement shall be discontinued 13 days after the mailing date of the notice.

(6) Where service provided pursuant to subdivision 5 of this subsection is not made or is discontinued, the company shall not terminate service but may petition for receiver of rents pursuant to section 16-262f of the Connecticut General Statutes.

(7) Each utility company shall establish and maintain a system for identifying on its records those accounts for service to residential dwellings whose occupants are not the persons to whom it usually sends its bills and for insuring that service to such premises is not terminated prior to compliance with the provisions of this section and section 19-65 of the Connecticut General Statutes.

(8) Whenever a company has terminated service to a residential dwelling whose occupants are not the persons to whom it usually sends its bills, such company shall, upon obtaining knowledge of such occupancy, immediately reinstate service and thereafter not effect termination unless it first complies with the provisions of subsections (h) and (i) of this section.

(j) Termination of spouses' and former spouses' utility service.

(1) No public service company shall terminate, threaten to terminate, or refuse to provide residential utility service for a period of 90 days because of non-payment of a delinquent account for residential utility service, where the person seeking to retain or obtain service is the unnamed customer and is divorced or legally separated from or has an annulled marriage from, the named customer of the delinquent account or where an action is pending for a divorce, legal separation, or an annulment of the person from the named customer of the delinquent account, provided that the following conditions have been met:

(A) The unnamed customer notifies the company, orally or in writing, at the time of the unnamed customer's request to retain or obtain service or at any time prior to termination of such service, that he or she has obtained a divorce, legal separation or annulment, and sends the company, no later than 21 days of the date of notification, a copy of a judgment file of the divorce or legal separation, or any portion thereof, which indicates that there has been a divorce or legal separation, or a certificate of annulment, or a portion of the summons and complaint which has been filed in the appropriate court in an action seeking the same;

(B) The spouses or former spouses are no longer residing together;

(C) The unnamed customer provides the utility company with the current address or place of employment of the named customer, if known, or the last known address or place of employment of the named customer; and

(D) The unnamed customer's request is for residential utility service from the time of the notification to the utility company of the divorce, legal separation, annulment, or action seeking the same;

(2) The 90-day period shall commence on the date which is the earlier of the following:

(A) The date on which such unnamed customer requests utility service; or

(B) The date of the judgment file evidencing such unnamed customer's divorce, legal separation or annulment from the named customer, or the date of the writ of summons commencing an action seeking the same.

(3) During the 90-day period, the utility company shall make diligent efforts to collect the delinquent balance from the named customer. Diligent efforts shall mean that the company is to perform, no later than 90 days of notification of the legal

separation, divorce or annulment, or action seeking the same, all of the following actions:

(A) Make efforts to obtain the address of the named customer;

(B) Send a final notice of the delinquency on the old account to the address of the named customer, if known; and

(C) Transfer the delinquent balance to another account of the same type and class of the named customer, if one has been established. If the named customer's account remains delinquent after the utility company has complied with subparagraphs (A) and (B) of this subdivision, the utility company shall take the following additional actions:

(D) Refer the account to its in-house staff for collection or to a collection agency until the delinquent balance is paid or arrangements have been made with the named customer; and

(E) Utilize any additional collection methods the utility company deems most cost effective, including but not limited to sending demands for payments and considering taking action in Small Claims Court or Superior Court unless the named customer's address is unknown or said customer is judgment proof.

(4) If the company receives a certified copy of an order issued by the Family Division of the Superior Court, in a divorce or legal separation proceeding whereby the court has assigned sole responsibility for the delinquent account to the named customer, the company shall not terminate or refuse to provide service, due to the delinquency, to the unnamed customer for 90 days in addition to the 90-day grace period as outlined in subdivision (1) of this subsection, to allow the unnamed customer time to pursue any reasonable remedies available to enforce said court order. The unnamed customer would have a total of 180 days before the provisions in subdivision (5) of this subsection would apply.

(5) If the utility company fails to obtain payment after the 180-day period provided in subdivision (4) of this subsection, the company shall offer the unnamed customer an opportunity to enter into a reasonable amortization agreement. Such reasonable amortization agreement shall be in accordance with subsection (b)(3)(A) of this section, and the procedures for reviewing and appealing such reasonable amortization agreement shall be in accordance with subsection (f) of this section.

(6) The cases arising under this subsection shall be considered on a case-by-case basis to effect the purposes of this section and shall be considered through the investigation and appeal process available under subsection (g) of this section.

(7) Once an unnamed customer has become a named customer of an account, nothing contained in this subsection shall be deemed to prohibit a utility company from terminating or refusing to provide residential utility service to such customer because of non-payment of a delinquent balance incurred by such customer, excluding any delinquent balances incurred prior to the earlier of the date of such customer's request for utility service, or the date of the judgment file of a divorce or legal separation, certification of annulment, or writ of summons commencing an action seeking the same.

commencing an action seeking the same.

(Effective September 17, 1986; amended October 10, 1997, November 2, 1999)

Sec. 16-3-101. Termination of telephone service

A. Definitions as used in this section

1. "Complaint" means any allegation or charge of an error in billing or disputed charge; and investigation, hearing and appeal shall mean those activities arising under the regulations in Section 16-3-101 from such allegations or charges.

2. "Customer" means any person or entity which has contracted with a telephone company for telephone service.

3. "Delinquent account" means a bill for telephone service, any portion of which has remained unpaid for a period of more than thirty (30) days from the date of receipt of the bill. In the case of a residential account in which toll charges accrued and not yet billed exceed twice the average monthly bill for the previous three months, a bill may be rendered immediately and such bill shall then be considered delinquent.

Payment will be accomplished by receipt at a business office or authorized collection agency of the utility. Any subsequent bills issued to a delinquent account for telephone service shall be considered part of said delinquent account upon receipt thereof. No partial payment of any delinquent account shall affect the delinquent status of the amount remaining unpaid on such account.

4. "Public Utilities Control Authority, authority or PUCA" means the department of public utility control.

5. "PUCA hearing officer" means a hearing officer designated by the PUCA to conduct hearings pursuant to Section 16-3-101, C, 5, (b). A Hearing Officer shall have all the powers of a Presiding Officer, as defined in Section 16-1-2, C, of the Authority's regulations. A Hearing Officer may be a member of the PUCA's staff who performs other unrelated functions as well, but shall not be a person who has participated in the investigation in the same case pursuant to Section 16-3-101, C, 5, (a).

6. "Receipt or received" means three days after the date of mailing by first class mail.

7. "Residential telephone service" means telephone service provided by a telephone company to a customer at a place of residence, the major use of which by the customer is of a social or domestic nature and not for business purposes, as defined in the Tariffs of the telephone company.

8. "Review officer" means a person designated by the telephone company to investigate customer complaints and to undertake reviews as provided in Section 16-3-101, C, 4. A Review Officer may be an employee of the telephone company who also performs functions unrelated to his or her review responsibilities. However, the Review Officer shall not be a member of such company's credit department. A Review Officer shall be empowered to review and overrule determinations of members of the company's credit department on subjects within his or her authority as further described in Section 16-3-101, C, 4.

9. "Telephone company" or "company" means any telephone company, corporation, or other entity within the jurisdiction of the Public Utilities Control Authority which provides telephone service.

10. "Telephone service" means local exchange service, toll, foreign exchange, private line service, and any other service provided by the telephone company pursuant to Tariffs filed with and approved by the PUCA furnished to customers by a telephone company.

11. "Termination" or "terminate" means the intentional discontinuance or interruption of service to an individual telephone customer, and shall not include interruption or curtailment of service resulting from mistakes, errors, omissions, or forces beyond the control of the telephone company including but not limited to fire, floods, Acts of God, forced outages, energy or capacity shortages or other emergencies.

12. "Amortization over a reasonable period of time" means payment over a period of time (normally not to exceed three months). The PUCA may specify a

reasonable period of time upon completion of a PUCA hearing regarding a disputed bill.

13. "Disputed bill" means that portion of a customer's bill deemed by the PUCA to be in dispute.

14. "Identification" means a social security number, the number of an identity card issued pursuant to section 1-1h of the general statutes, the number of a motor vehicle operator's license issued pursuant to section 14-36 of the general statutes or any other means of identification approved by the department of public utility control.

B. Grounds for termination. 1. Grounds For Termination Without Notice. Telephone service may be terminated by a telephone company without notice for any of the reasons listed below. In such cases, the company shall keep a record of the conditions which caused termination and shall attempt to notify the customer in some reasonable manner such as by a telephone call to the customer or if the customer is not the user to the user. The procedures prescribed in Section 16-3-101, C, shall not apply to terminations made pursuant to Section 16-3-101, B, 1. The telephone company shall notify the customer in writing after termination of the reason for the termination and the conditions which the customer must meet to obtain service.

(a) in the event of a condition determined by the telephone company to be hazardous; including but not limited to any condition which causes a clear and present danger to life, health, safety, and physical property, or to the telephone company's ability to serve other customers.

(b) in the event that the furnishing of service would be in contravention of any orders, ordinances, laws or regulations of the Federal government or of the State of Connecticut or any political subdivision or regulatory body thereof, and such orders, ordinances, laws or regulations forbid or do not allow time for notice of the impending termination.

(c) after receipt of a termination notice, no additional notice is required for any failure by a customer to comply with the terms of any agreement whereunder the customer is permitted to amortize the unpaid balance of an account over a reasonable period of time or any failure by such a customer to keep current the undisputed portion of the customer's account for telephone service as charges accrue in each subsequent billing period; unless such customer makes a payment or payments amounting to twenty percent of the balance due on the delinquent account in which case the telephone company shall not terminate service without giving notice of the condition which the customer must meet to avoid termination; but such subsequent notice shall not entitle such customer to further investigation, review or appeal by the company or PUCA, nor shall it diminish the time allowed for initial investigation, review or appeal of the original notice.

(d) if the amount of charges incurred and outstanding after receipt of a termination notice and subsequent to the initiation of any complaint, investigation, hearing or appeal pursuant to Section 16-262d, Connecticut General Statutes, exceeds on a monthly basis the average monthly bill for the previous three months or if the amount of charges incurred and outstanding for an account less than four months old exceeds on a monthly basis the average usage estimated for the account and is equal to or exceeds \$50.00 or customer's deposit if any, whichever is larger.

(e) In the event that toll charges accrued and not yet billed for a non-residential account exceed twice the average toll charges for the previous three months and are equal to or exceed \$50 or in the case of a nonresidential account less than four months old these charges exceed twice the estimated monthly toll charges and are

equal to or exceed \$50, where acceptable arrangements to cover such charges cannot be made in accordance with procedures filed with and accepted by the PUCA, or are not kept.

2. Grounds For Termination With Notice. Telephone service may be terminated after appropriate notice is given, for the reasons listed below. Telephone service may be terminated for these reasons only in accordance with the procedures set forth in Section 16-3-101, C.

(a) in the event of tampering with wires or other telephone equipment by the customer; except that any interconnection authorized pursuant to Tariffs filed with and approved by the PUCA and the Federal Communications Commission shall not constitute tampering.

(b) fraud or material misrepresentation in obtaining telephone service;

(c) customer use of equipment in such a manner as to adversely affect the company's equipment or the company's service to others, except in cases described in B, 1, (a), after the customer has first been notified and afforded an opportunity to remedy the interfering influence. The termination notice required in accordance with the procedures set forth in Section 16-3-101, C, shall be issued after the expiration of the period given to remedy the interfering influence.

(d) violation of or non-compliance with the rules or Tariffs which the company has filed with and have been approved by the PUCA; the notice as required in Section 16-3-101, C shall carry a brief description of and citation to the rule or tariff of which there has been a violation or non-compliance.

(e) failure of the customer to permit the company reasonable access to its equipment, or in the event access thereto is obstructed or hazardous.

(f) customer failure or refusal to reimburse the company for the cost of replacement, installation and/or repair of any telephone instrument, facility, or equipment subscribed to by the customer which is lost or damaged due to theft, vandalism, willful injury or negligence or any other cause whatsoever except Hood, fire other than fire intentionally caused by the customer or his agent, or natural disaster.

(g) failure of the customer to furnish such service, equipment, permits, certificates or rights-of-way as shall have been specified by the company as a condition to obtaining service, or if such equipment or permissions are withdrawn or terminated.

(h) non-payment of a delinquent account provided that the telephone company has notified the customer of the delinquency and has made a diligent effort to have the customer pay the delinquent account. The telephone company shall be deemed to have made a diligent effort to have the customer pay the delinquent account if it complies with all procedures prescribed in Section 16-3-101, C.

(i) in the event that the furnishing of service would be in contravention of any orders, ordinances, laws or regulations of the Federal government or of the State of Connecticut or any political subdivision or regulatory body thereof, and such orders, ordinances, laws or regulations do not forbid explicitly or implicitly notification of the impending termination.

(j) In the event of a person's failure to provide identification within 15 days of opening an account.

3. Exceptions. No telephone company shall: (a) terminate residential telephone service for non-payment during such time as any resident of a dwelling to which such service is furnished is seriously ill, as certified to the company by a registered physician in accordance with the procedures prescribed in Section 16-3-101, C, 3, below; provided the customer agrees to amortize the unpaid balance of his account

over a reasonable period of time and keeps current his account for telephone service as undisputed charges accrue in each subsequent billing period.

(b) terminate telephone service to a customer during the pendency of any complaint, investigation, hearing or appeal initiated by such customer under Section 16-3-101, C, below; provided, however, that nothing in this Section 16-3-101, B, 3, (b), shall be construed to relieve a customer of the obligation to pay any undisputed bill or portion thereof during the pendency of any such complaint, investigation, hearing or appeal, and further provided that the customer keeps current his account for telephone service as undisputed charges accrue in each subsequent billing period, and that the amount of charges incurred and outstanding subsequent to the initiation of any complaint, investigation, hearing, or appeal does not exceed on a monthly basis the average monthly bill for the previous three months or fifty (\$50.00) dollars, whichever is greater, or in the case of an account less than four months old does not equal or exceed \$50.00 or the estimated monthly pattern of usage for the account, whichever is greater.

(c) refuse to reinstall telephone service previously disconnected for non-payment to the home of any former residential customer if any resident therein becomes seriously ill, as certified to the telephone company by a registered physician in accordance with the procedures prescribed in Section 16-3-101, C, 3, below; provided that the customer agrees to amortize the unpaid balance of his account and all appropriate reconnection and installation charges over a reasonable period of time and comply with any deposit requirements and appropriate Tariffs of the telephone company.

(d) terminate telephone service for reasons outlined in Section 16-3-101, B, 2, on any Friday, Saturday, Sunday, legal holiday, or day before any legal holiday, or at any time during which the business offices of any such telephone company are not open to the public.

C. Billing and termination procedures. 1. Termination, Notices, Generally. Every telephone company shall send each of its customers within ninety (90) days of the effective date of these regulations or by the effective date if such date is set ninety (90) days from the passage of the regulations, and annually thereafter a brief explanation of the customer's rights under this Section 16-3-101, C. In addition, all termination notices shall contain or be accompanied by a brief explanation of the customer's rights under this Section 16-3-101, C, and the customer's responsibilities under Section 16-3-101, B, 1, (d). Any telephone company which has a substantial number of non-English speaking Spanish-surnamed customers within its service territory shall provide the foregoing notices, and that described in Section 16-3-101, C, 3, below, in English and Spanish. Where the company has actual knowledge that the user of the telephone service is not the customer to whom the company usually sends its bills, then in addition to the termination notice sent to the customer, the company shall also make a reasonable effort to provide notice to the user of the service by attempting to reach the user by telephone during the normal business hours of the company.

2. Timing Of Termination And Termination Notices. No termination notice for non-payment shall be sent to any customer prior to the time said customer has a delinquent account as defined in Section 16-3-101, A, 3. No termination of telephone service where notice is required shall be effected earlier than thirteen (13) days after mailing of a termination notice addressed to the customer to whom such service is billed by first class mail. If the customer makes partial payment of twenty percent of the unpaid balance of a delinquent account after receipt of a termination notice

and after the expiration date of that notice but prior to or on the same day as actual termination by the company, the company shall reinstate the customer's service without any reconnection or installation charges and give the customer additional notice. Such subsequent notice shall not entitle such customer to further investigation, review or appeal by the company or PUCA, nor shall it diminish the time allowed for initial investigation, review or appeal of the original notice. If payment of at least twenty percent of a delinquent account or payment arrangements have not been made subsequent to a termination notice, the service may be terminated on the scheduled expiration date or within 10 business days thereafter. If a utility fails to terminate service within 10 business days of the expiration date then the termination notice procedure shall be repeated. When a person opening an account with a telephone company does not provide identification, the company shall furnish the service and provide notice that the service may be terminated pursuant to section 16-3-101(B) (2) (j) if, after fifteen days, identification is not provided.

3. Termination And Serious Illness. (a) Every termination notice sent to a customer receiving residential telephone service shall include or be accompanied by a serious illness notice substantially in the form attached hereto as Appendix A. Such serious illness notice shall plainly indicate that the company may not terminate residential telephone service to the home of any customer during such time as any resident residing therein is seriously ill, if the existence of such serious illness is certified to the company in accordance with the requirements of Section 16-3-101, C, 3, (b), within seven days after receipt of the termination notice and the customer complies with the requirements of Section 16-3-101, C, 3, (c). Such serious illness notice shall also plainly indicate that the company has the right to contest before the Public Utilities Control Authority the validity of any serious illness certification it might receive.

(b) A registered physician's certification of serious illness shall be sufficient if initially made by telephone, subject to the right of the company to confirm the validity of the doctor's call. In the event the company receives a physician's certification by telephone, it shall inform the certifying physician that he must forward to the company, within seven calendar days a written certification of serious illness. All certifications whether oral or written must provide the name and address of the seriously ill person, the nature and length of the serious illness and the physician's office address and telephone number.

(c) In cases where residential telephone service is continued pursuant to a serious illness certificate, the customer must:

(1) Enter into an agreement "hereunder the customer is permitted to amortize the unpaid balance of the account over a reasonable period of time, but only while the customer keeps current his account for telephone service as undisputed charges accrue in each subsequent billing period, and

(2) Renew the serious illness certificate no later than the last day of the period specified by the physician as the length of the illness; provided, however, that if the physician has failed to specify the length of the illness or if the physician has indicated that the length of the illness is not readily ascertainable, then the serious illness certificate shall be renewed every fifteen days. Each renewal certificate must be forwarded to the company.

(d) Any failure to renew any serious illness certificate shall automatically void all rights of the customer under the provisions of this Section 16-3-101, C, 3; except that any amortization agreement previously made to pay off the unpaid balance of an account shall not be voided as long as the customer complies with terms of the

agreement and further provided that the customer shall not be prohibited from invoking his rights under the provisions of Section 16-3-101, C, 3, as to future illnesses.

(e) If a telephone company wishes to contest the validity of a written serious illness certificate, it may request an investigation by the PUCA and a hearing before a PUCA Hearing Officer pursuant to Section 16-3-101, C, 5. Section 16-3-101, C, 5, shall apply in all respects to such hearing.

4. Company Review Officer; Investigation By Company. (a) After contacting a customer service representative of the telephone company, a customer may notify the Company Review Officer in writing, delivered either in person or by mail within seven days after receipt of a termination notice issued pursuant to Section 16-3-101, B, 2, or within four days after notification of the decision of the customer service representative, that any related matter still remains in dispute. Such notice must state precisely what the dispute is and to what extent. Upon receipt of such notice the Review Officer shall investigate the customer's complaint, using any procedure appropriate under the circumstances, and shall provide notice in writing to the customer of said Review Officer's determination of the dispute. In addition, the Review Officer shall consider whether or not it is appropriate to enter into an agreement whereunder the customer is permitted to amortize the unpaid balance of the account over a reasonable period of time, but only while the customer keeps current his account for telephone service as undisputed charges accrue in each subsequent billing period. The written notice of the decision of the Review Officer shall be sent to the customer within ten days of the receipt of the customer's complaint by the Review Officer and shall contain the following statement: "If you still consider our bill to be inaccurate in any respect or if you have any other complaint pertaining to this matter, you have a right to request in writing a further investigation by the Public Utilities Control Authority, Consumer Assistance Division, 165 Capitol Avenue, Hartford, toll free telephone number: 1-800-842-1904, within four days from your receipt of this decision."

(b) If a customer disputes the legality of a proposed or completed termination for a reason other than a complaint as defined in Sections 16-3-101, A, I and 16-3-101, C, 4, (a), he has a right to a review by the company and/or PUCA. The initiation of such a review procedure will not require the company to maintain or reinstall service during the pendency of the review unless the PUCA should so order.

(c) If a customer has a complaint as defined in Sections 16-3-101, A, 1 and 16-3-101, C, 4, (a), and for good and sufficient reason shown was unable to institute the review procedures within the time limit required (i.e. out-of-town) the customer may institute the review procedure provided in Sections 16-3-101, C, 4 and C, 5 within a reasonable time. However, the company shall not be required to maintain or reinstall service during the pendency of the review unless the PUCA should so order.

5. Investigation By PUCA; Right To Hearing Before PUCA Hearing Officer. (a) Investigation by PUCA. Within four days after the receipt of the Review Officer's decision, the customer and/or the company may request in writing that the PUCA conduct an investigation of the matter in dispute pursuant to Section 16-1-116 of the PUCA's Regulations, and the PUCA shall issue an order forthwith directing that such an investigation be commenced by the PUCA staff no later than seven days after receipt of said request. After completing its investigation, the PUCA staff shall prepare a written report summarizing its findings and shall cause both parties to receive a copy of such report no more than ten days after the commencement of

such investigation, except, the PUCA within its discretion and for good cause shown, may have an additional seven days after the expiration of the initial ten day period to prepare its staff report.

(b) Right To Hearing. If the company and customer are unable to resolve the dispute based upon the report of the PUCA staff, then within four days after the receipt of the PUCA staff report, either party may file a formal complaint with the PUCA pursuant to Section 16-1-102 through 16-1-105 of the Regulations of Connecticut State Agencies requesting a hearing before a PUCA Hearing Officer. Upon the timely filing of such a complaint, the PUCA shall issue an order appointing a Hearing Officer and requiring that such a hearing be commenced no later than fourteen nor earlier than seven days after the date of filing of the appeal. Such hearing shall be deemed to be a “contested case” within the meaning of Connecticut General Statutes Section 4-166(2) and Sections 16-1-2(e) of the Regulations of Connecticut State Agencies. The report of the PUCA staff shall be part of the record in such hearing. Pending final determination, the PUCA may enter any lawful temporary order to the company or to the customer which it deems just and equitable. The Hearing Officer shall ascertain the facts and report thereon to the PUCA and may prepare the PUCA’s docket file and order. Within ten (10) days after receipt of the transcript, if any, or 10 days after the close of the hearing if no transcript is required, the PUCA shall issue a final order in writing directing service to be continued or terminated forthwith, which order may impose such terms and conditions as the PUCA deems equitable to both the customer and the company. The decision of the PUCA shall be considered a final order of the PUCA for all purposes and shall not be appealable within the Public Utilities Control Authority. However, nothing in this Section 16-3-101, C, 5, shall prevent any party from pursuing any available legal or equitable remedies with respect to the PUCA’s decision.

(c) Nothing in this Section 16-3-101, C, 5, shall relieve the customer from paying when due all undisputed charges and all charges accrued and outstanding subsequent to the initiation of a complaint, investigation, hearing or appeal which are also undisputed. Notwithstanding the provisions of Section 16-3-101, C, 5, the company may terminate pursuant to Section 16-3-101, B, 1, for circumstances not the subject of the complaint, investigation, hearing or appeal.

6. Legal Remedies Preserved. None of the provisions of this Section 16-3-101 shall be construed to prevent a telephone company or customer from pursuing, at any time, any legal remedies regarding complaints which are the subject of these regulations, provided however, that nothing in this Section 16-3-101, C, 6, shall be construed to entitle a telephone company or a customer to more than one hearing concerning the same issues in dispute in whatever forum except for lawful appellate remedies.

7. Customer Contact. No telephone company shall terminate service to any customer unless such company first makes a good faith effort to contact the customer receiving such telephone service stating that termination of service is imminent. A good faith effort shall be deemed to be an attempt either by telephone or mail at such contact in such a manner as is reasonable in light of the circumstances. The telephone company shall be relieved of this requirement to contact the customer in the event that such contact would be in contravention of any orders, ordinances, laws or regulations of the Federal government or of the State of Connecticut or any political subdivision or regulatory body thereof. This customer contact requirement is in addition to all other contact which may or may not be required by law or regulation and does not relieve the telephone company of compliance with the other provisions of Section 16-3-101.

8. **Partial Payment.** If, following the receipt of a termination notice or the entering into of an amortization agreement reached after receipt of a termination notice, the customer makes a payment or payments amounting to twenty percent of the balance due, prior to the expiration date on the termination notice or the date for the next partial payment due under the amortization agreement, the telephone company shall not terminate service without giving subsequent notice to the customer in accordance with provisions of Section 16-3-101, C, 1, of the conditions the customer must meet to avoid termination, but such subsequent notice shall not entitle such customer to further investigation, review or appeal by the company or PUCA, nor shall it diminish the time allowed for initial investigation, review or appeal of the original notice. If the customer makes such partial payments after the dates specified above but on or before the day of actual termination, and termination occurs, the telephone company will reinstate service without any reconnection or installation charges accruing to the customer and give such subsequent notice.

9. **Effective Date.** These regulations shall become effective upon filing of the approved regulations with the Secretary of State but no sooner than 90 days from the date of passage by the PUCA.

Appendix A

RESIDENTIAL CUSTOMERS ONLY “IMPORTANT NOTICE”

“Right to Residential Telephone Service During Serious Illness”

If you or any resident of your home is seriously ill, your telephone service will not be disconnected for non-payment during this illness, provided:

1. you have your doctor or someone from the doctor’s office call us within seven (7) days after you receive a notice of possible disconnection. Within a week after calling us, your doctor must send us a written certificate of serious illness stating the nature and length of the serious illness, the name and address of the seriously ill person, and the physician’s office address and telephone number.

2. you have sent to us a renewal of the physician’s certification of serious illness, if the illness continues, no later than the last day of the period specified by the physician as the length of the illness, or every fifteen days if your doctor is unable to indicate the length of the illness.

3. you make equitable arrangements to pay your past due bills.

4. you pay all future bills on a current basis, while the illness continues.

However, termination may occur without further notice upon failure to comply with 3 or 4 above.

If there is SERIOUS ILLNESS in your home, please have your doctor call a service representative at the local business office. The number is in the front of the local telephone directory. We have the right to contest before the Public Utilities Control Authority the validity of any serious illness certification we might receive.

Appendix B*

*Appendix B is a suggested description of the customer’s rights which is to be sent to all customers at least once and included with all termination notices. See Section 16-3-101, C, 1.

IMPORTANT NOTICE

If you have a question or complaint or dispute any part of your telephone bill:

—Call a service representative at the nearest business office. The number is in the front of the local telephone directory.

—If satisfactory arrangements cannot be made with the service representative, you will have the opportunity to discuss the matter with local office supervision.

If satisfactory arrangements cannot be made and you still have a complaint, you may contact the company Review Officer. You must contact this Review Officer within seven (7) days after you have been notified that your service is going to be disconnected or within four days of notification of a decision by your service representative. The company Review Officer's name and number may be obtained by calling your local business office. Consideration for payment of your past due bills will be included in the Review Officer's investigation and decision on your complaint.

Your service will not be disconnected provided:

—Payments on the unpaid balance are made as agreed upon with the Review Officer.

—Payment of the undisputed portion of the bill is made.

—Future bills are paid on a current basis.

If you question the legality of any proposed or actual termination for any reason, you may also request review by the company.

If the dispute remains unresolved after you receive the Review Officer's decision, you may ask in writing the Connecticut Public Utilities Control Authority, Consumer Assistance Division, 165 Capitol Avenue, Hartford, Connecticut 06115 for further investigation and a hearing. The toll-free telephone number of the Consumer Assistance Division is 1-800-842-1904.

Your service may be disconnected without further notice if:

—You do not comply with the above.

—The charges incurred and outstanding after the initiation of your complaint exceeds on a monthly basis the average monthly bill for the previous three months and in addition is equal to or exceeds \$50.00 or your deposit, if any, whichever is larger.

(Effective October 9, 1979; amended, October 10, 1997)

Sec. 16-3-102. Estimated billing

A. Definitions. 1. Residential customer as used in Section 16-3-102 means any person to whom a utility company has agreed to supply utility services at residential premises occupied by that person alone or with others as a single housekeeping unit.

2. Company as used in Section 16-3-102 means any gas, electric or water company, corporation or other such entity under the jurisdiction of the Public Utilities Control Authority which provides utility services.

3. Utility service as used in Section 16-3-102 means gas, electric or water service provided by a utility company to a residential customer at retail rates based upon metered consumption.

4. Actual reading as used in Section 16-3-102 means a meter reading obtained directly from the metering device.

5. Customer reading as used in Section 16-3-102 means an actual reading obtained by the customer of the utility service.

6. Company reading as used in Section 16-3-102 means an actual reading obtained by a representative of the company.

7. Actual bill as used in Section 16-3-102 means a bill for utility service submitted to a residential customer which is based upon an actual reading.

8. Estimated bill as used in Section 16-3-102 means a bill for utility service submitted to a residential customer with charges calculated in accordance with formulae employed to estimate utility service consumption.

B. General requirements. 1. Each company which estimates bills shall file with the Public Utilities Control Authority a current, simple, clear and concise statement of the formulae employed in preparing its estimates. The Public Utilities Control Authority may reject such filing and require a new filing if, after investigation, it determines either that the statement is not sufficiently clear and concise, or that the formulae employed result in significant deviations from actual consumption. Each company shall provide a copy of its filed statement to any customer upon request.

2. After 30 days of the effective date of this regulation, no company may submit an estimated bill to a customer unless it currently has on file with the Public Utilities Control Authority a statement of formulae employed in estimating bills described in the preceding subsection.

3. After depletion of its existing, on-hand supply of pre-printed bill forms, but in no event later than 120 days following the effective date of these regulations, each estimated bill submitted to a customer must be clearly so marked on its face. Codes or symbols may be used to designate the bill as being based upon estimated consumption only if a legend clearly explaining the code or symbol appears on the face of the bill.

4. An electric or gas company which serves a substantial number of Spanish speaking customers shall provide all information relating to estimated bills in Spanish and English.

C. Companies' obligation to obtain actual reading.

1. Each company shall obtain a company reading whenever possible.

2. When a company is unable to obtain a company reading during any billing period for which such company reading was scheduled to be made, the company shall provide the residential customer with a card requesting an immediate customer reading, instructing the customer that he may provide such customer reading to the company, and warning the customer that if no customer reading is received by the company in time to be used in preparing the bill (such time limit to be specified on the notice), an estimated bill will be issued. The company shall provide the customer with instructions for furnishing the customer reading to the company. The company may provide for customer readings by mail or by telephone or by both methods.

3. When a company issues estimated bills to a customer for two consecutive billing periods, the company shall send to the customer through the mails, a notice which bears the legend "IMPORTANT NOTICE" and which informs the customer that it is imperative that the company obtain an actual reading in order to prevent error and hardship. The notice shall inform the customer of the next schedule visit by a company representative in order to allow the customer to make arrangements for a company reading, if the customer chooses, or to allow the customer to make a customer reading on the same date.

D. Amortization agreements. 1. If a customer receives an actual bill which follows one or more estimated bills, and the amount of the actual bill because of the inaccuracy of prior estimation is more than twenty-five percent larger than the amount of the prior estimated bill, the company shall upon order of the Public Utilities Control Authority arrange for amortization of the excess amount of the bill

in equal installments at a rate such that the bill will be fully amortized over a period of not less than equal duration to the duration of the period during which no actual reading was taken. In cases where customers request an arrangement for amortization of bills, the companies shall advise the customer in writing to contact the Public Utilities Control Authority for an order approving an amortization arrangement.

2. Companies shall make known to their customers the availability of amortization agreements under this section.

(Effective June 7, 1978)

Security Deposits Requested by Gas or Electric Companies

Sec. 16-3-200.

Transferred to § 16-262j-1, August 23, 2000.

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Generally Accepted Management Audit Standards

Consultant Standards and Ethics for Performance of Management Analysis

Sec. 16-8-1. All audits to be performed in accordance with generally accepted management standards

(a) All audits authorized pursuant to § 16-8 of the General Statutes of Connecticut shall be performed in accordance with generally accepted management audit standards. Such generally accepted management audit standards shall include, but not be limited to, the “Consultant Standards and Ethics for Performance of Management Analysis,” approved by the National Association of Regulatory Utility Commissioners in July 1989, as revised by the Department of Public Utility Control.

(b) The revised “Consultant Standards and Ethics for Performance of Management Analysis” are set forth in §§ 16-8-2 through 16-8-4 Regulations of Connecticut State Agencies.

(Effective October 24, 1995)

Sec. 16-8-2. General standards

(a) Competence and qualifications of consulting firms and consultants

(1) Management audit teams or independent consulting firms shall propose an engagement only if the consultants proposed to perform the engagement possess qualifications at least comparable to those of recognized professionals in the area in which advice and assistance is to be rendered, and shall ensure that others assigned to the engagement, including subcontractors, are similarly qualified.

(2) The consultants proposed to perform the engagement must collectively possess adequate technical training and professional proficiency in each discipline needed to carry out the audit responsibilities. All consultants proposed to perform the engagement must have adequate technical training and professional proficiency in the assigned area and adequate experience as auditors.

(3) Other qualifications include, but are not limited to, standards adhered to in performance of the engagement, conceptual approach to project and administrative management of the audit, thoroughness of the workplan, ability to guarantee stability in assigned staff, experience in management process reviews, experience in the industry, and availability to begin and complete the review in a timely fashion.

(b) Demonstration of qualifications

(1) Qualifications for performing an audit shall be presented in terms of competence, relevant experience, and professional standing.

(2) The consulting firm and consultants or the management audit team must be willing and able to demonstrate educational background and/or professional proficiency appropriate to perform the engagement. Such demonstration may be in the form of detailed and specific resumes, previous work products, oral presentations, and verifiable references for each consultant.

(c) Independence and objectivity of consultants

(1) At the earliest opportunity, the consulting firm and consultants or the management audit team shall disclose to the department all relationships, circumstances or interests that might influence, or give the appearance of influencing, judgment or impairing objectivity.

(2) Consulting firms and consultants or the management audit team shall not serve the department under terms or conditions that might impair their objectivity or independence.

(3) Consultants and management audit teams must be objective in performing audits. In all matters relating to the engagement, the consulting firm and the consultants must be free from personal or external impairments to independence, and shall assume an independent position with the department and the auditee making certain that advice to the department or auditee is based on impartial consideration of all pertinent facts and responsible opinions.

(4) The consulting firm and consultants or the management audit team shall refrain from entering into any activity which may be in conflict with the interest of the department or auditee which would prejudice the ability to objectively carry out their duties and responsibilities.

(d) Professional behavior and integrity

(1) Consulting firms or management audit teams, in the course of their practices, shall maintain a professional attitude and behavior toward those they serve, their fellow practitioners, their own employees, and the public at large.

(2) Consulting firms and consultants or management audit teams shall avoid not only improprieties, but also the appearance of improprieties, and make every effort to ensure that the highest level of integrity is maintained.

(3) Consulting firms and consultants or management audit teams shall exercise honesty, objectivity, proficiency, and diligence in the performance of their duties and responsibilities.

(e) **Due professional care.** Consultants and management audit teams shall exercise due professional care in performing audits. Due professional care requires the application of the care and skill expected of a prudent and competent consultant in the same or similar circumstances.

(f) Proprietary or confidential information

(1) The consultant and management audit team shall enter into a nondisclosure agreement with the auditee. The nondisclosure agreement shall clearly define the treatment of material which the auditee deems confidential or proprietary. Said nondisclosure agreement must be approved by the department. Consultants and management audit teams shall not take personal, financial, or other advantage of material or inside information resulting from their professional relationship with the department or auditees; nor shall they provide the basis on which others might take such advantage.

(2) Consultants and management audit teams shall not use proprietary information learned from, or developed for, previous clients or auditees without first obtaining the consent of such clients/auditees.

(3) Consultants and management audit teams shall hold as strictly confidential all information concerning the affairs of the department and auditee that is gathered during the course of a professional engagement, except when the department has released such information for public use.

(4) Consultants and management audit teams shall not, without prior permission, use or divulge copyright material and proprietary data, procedures, materials, or techniques that others have developed, but have not released for public use.

(g) Conditions of service

(1) Consulting firms or management audit teams shall, before accepting an engagement, confer with the department in sufficient detail and gather sufficient facts to gain an understanding of the objectives to be achieved, the scope of assistance needed, and the possible benefits that may accrue as a result of the study.

(2) Consulting firms or management audit teams will advise the department of any significant reservations they have regarding anticipated benefits of an engage-

ment. They shall not accept an engagement in which they cannot serve the department effectively.

(3) Consulting firms or management audit teams shall agree with the department in advance on the objectives, scope, and approach for the proposed engagement.

(4) Consulting firms or management audit teams shall perform each engagement on an individualized basis and shall develop recommendations designed specifically to meet the particular requirements of the department. The objective in each engagement shall be to develop solutions that are cost effective, realistic, and practical. Such solutions shall be clearly understandable by the department and auditee and capable of being implemented at a reasonable cost and within a reasonable time frame by the auditee. Consultants shall be prepared to assist, to whatever extent required, with the implementation of approved recommendations, or the preparation and presentation of expert testimony, provided that such assistance shall not in any manner impair the consultants' objectivity or independence.

(5) Consulting firms or management audit teams shall discuss with the department any significant changes in the objectives, scope, approach, anticipated benefits or other aspects of the engagement, and obtain the department's agreement to such changes in writing before taking action.

(6) Consulting firms or management audit teams shall comply with all federal laws and regulations regarding discrimination in the employment of individuals and the selection of sub-contractors.

(h) Contents of proposal

(1) Consulting firm or management audit team proposals shall be directly responsive to the department's request for proposal. The written proposal shall outline the objectives, scope, and fee basis for the proposed service or engagement. The proposal shall identify the specific functions to be performed and the consultant who shall perform each function, the hourly fee of each consultant, and the estimated hours of each consultant necessary to complete each function.

(2) The proposal shall clearly set forth the audit procedures and controls and any reservations the consulting firm might have about meeting, in full or in part, any of the department's objectives.

(i) **Disclosure.** Neither the consulting firm nor management audit teams nor individual consultants shall release or otherwise publicly disclose information pertaining to the request for proposal, the proposal, the workplan, or the engagement without prior written approval from the department, unless such information has been released to the public.

(j) Gifts and gratuities

(1) In order to maintain complete objectivity in all matters relating to an engagement, consultants will not accept gifts, gratuities, or other valuable consideration from the auditee, the department, or any person interested in the organization being audited.

(2) Consultants and management audit teams shall not accept fees, commissions, or other valuable consideration from individuals or organizations for recommending equipment, supplies, or services in the course of providing service to the department.

(k) **Commitment to continued assignment of personnel.** The consultants proposed and accepted by the department shall not be substituted unless the department agrees in writing to a modification either before or during the performance of the engagement.

(l) Fees, expenses, and charges

(1) Consulting firms shall charge reasonable fees which are commensurate with the nature of services performed, the responsibility assumed, the actual time required, and the consultants' experience and ability.

(2) The valuation of services and the procedures by which charges are made shall be based upon agreement between the consulting firm and the department. The actual billed amount of fees, expenses and other charges shall not exceed the originally estimated amount without prior written approval of the department. Interim promotions awarded to consultants shall not change agreed-upon billing rates or hours committed to the engagement.

(3) Invoices shall contain a detailed accounting of the hours worked by each consultant and each employee for each day worked and of other direct and indirect expenses broken down by cost element, including dates, time periods, quantities and hours, as applicable. Detailed time sheets and other supporting documents, such as expense vouchers, lodging receipts and invoices shall be provided to the department. The department reserves the right to audit the consulting firm with respect to such invoices and supporting documents.

(m) Advance estimates of savings

(1) Consulting firms or management audit teams shall not offer the possibility of monetary benefit before the audit is begun, unless there is a factual and documented basis for making such an estimate.

(2) Consulting firms or management audit teams will neither promise any short-term benefit at the expense of the long-term welfare of the auditee or department, nor guarantee a specific monetary benefit that is not within their control to deliver.

(n) Employment offers to department or auditee personnel. Consulting firms shall not solicit employees of the department or auditee for employment by themselves or by others, except with the consent of the department or auditee. If approached by employees of the department or auditee regarding employment, consultants shall make certain the department or auditee has consented before entering into any specific negotiations with those employees.

(Effective October 24, 1995)

Sec. 16-8-3. Examination and workpaper standards

(a) Engagement management

(1) The consulting firm's or management audit team's Engagement Director and/or Project Manager shall properly manage the audit. This individual shall have sole responsibility and authority over the work performed by the team assigned, and shall ensure that every aspect of the engagement is adequately planned and assistants, if any, are properly supervised. The Engagement Director and/or Project Manager shall be the primary contact with the department.

(2) As part of the control over the engagement, the Engagement Director and/or Project Manager shall also establish and oversee plans to carry out the responsibilities of each team member to ensure that the project is completed on time and in a manner satisfactory to the department.

(b) Audit methodology/procedures. In order to sufficiently plan for the conduct of the audit, all audit methodologies/procedures, as required by the department, shall be specifically identified and agreed upon by the consulting firm or management audit team and the department prior to commencing field work and shall be adhered to by the consulting firm or management audit team.

(c) Identification of issues and questions

(1) The consulting firm or management audit teams shall be required to conduct sufficient fieldwork to assure that all significant issues within the scope of the audit have been identified.

(2) As issues are identified, and after consultation with the auditee, the consultants and management audit teams shall inform the department of the issue, the potential impact, and the practical solution of the pending recommendation.

(3) In the event the consultants and management audit teams believe an identified issue warrants further study in order to provide a practical solution, the consultant shall notify the auditee and the department as early as possible of the issue, the reasons for the need for further study, and the potential impact of the study, including potential costs and benefits.

(d) Compliance with RFP, contract, laws, and regulations

(1) Consultants and management audit teams shall review the methodologies/procedures planned to be used during the audit to ensure compliance with all aspects of the department's needs and request for proposal, including all policies, plans, and procedures specified, and laws and regulations which could impact the audit, and shall ensure that the consultant's approach is in compliance with the requirements.

(2) In the event that some aspect of the consultant's approach does not comply with any of the policies, procedures, laws and regulations, it is the consultant's responsibility to notify the department of such deficiency and amend the approach in a manner which is acceptable to the department.

(e) Planning and workplan content

(1) Consulting firms or management audit teams shall ensure that the engagement is well planned so that sufficient and relevant information is obtained and evaluated. Planning also includes the proper scheduling of personnel and events so that the conduct of the engagement shall be efficient and cost effective.

(2) Consulting firms or management audit teams shall submit a detailed workplan for the proposed review in accordance with the specific requirements of the department. The workplan shall reflect a clear understanding of the activities and functions under review. Every aspect of the work should be adequately planned by the consulting firm or management audit teams in such a manner as to identify the who, what, when, where, why, and how of each anticipated audit step. The workplan shall set up specific criteria for identifying ways to measure performances of the auditee and reflect professional objectivity and judgment in comparing the current performance of the auditee against the established standards. The workplan should lead to the preparation and communication of findings and conclusions in areas that are efficient, and recommendations in areas where there are opportunities for improvement.

(3) The department shall be notified immediately of any deviations from the identified plan of action.

(f) Supervision, control, and scheduling

(1) Consulting firms or management audit teams shall demonstrate a commitment to the quality of their advice, assistance and resultant products through sufficient planning, reviews, and controls.

(2) Consultants and management audit teams shall assure that audits are properly supervised. Such assurances shall include, but not be limited to, elements of experience and project controls, both manual and automated, which shall ensure that the audit shall be completed in a timely and effective manner.

(3) Audits shall be properly supervised so as to provide adequate control over the entire audit team. Worksteps shall be scheduled far enough in advance so as to allow preparation by all parties, which shall minimize disruption to the auditee. Consulting firms and management audit teams shall place specific emphasis on completing the audit in accordance with the schedule agreed to by the consulting firm, the department, and the auditee, and the budget agreed to by the consulting firm and the department.

(g) **Timeliness.** Reports are to be issued by the consultant or the management audit team on or before the dates agreed upon by the department, consultant, management audit team and the auditee. Reports are to be issued promptly so as to make the information available for timely use by the department, auditee, and other interested parties. Any anticipated deviation from the agreed upon dates shall be communicated to the department and the auditee as early as possible, and shall require the prior agreement of the department and the auditee.

(h) **Workpapers, evidence, documents, and supporting data**

(1) Sufficient, competent, and relevant evidence is to be obtained to afford a reasonable basis for the consultant's findings, conclusions, and recommendations regarding the organization, program, activity, or function under examination. All evidentiary materials upon which conclusions or recommendations are based must be filed in a systematic, easily retrievable manner in the form of working papers. The collection, usage, filing and retention of documents shall be consistent with the department's requirements.

(2) Evidence supporting each and every factual statement, exhibit, or graph shall be documented and retained in the form of working papers. Consultants shall assure the reliability and integrity of all relevant information.

(i) **Third party views.** If required by the department, the consulting firm shall solicit and collect views of appropriate third parties, and shall report responses as survey results or use the information for planning follow-up audit work, as directed by the department.

(j) **Impairments.** When external factors restrict the audit or interfere with the consulting firm's ability to meet the engagement objectives or form objective opinions and conclusions, the consultant shall attempt to remove the limitation or, failing that, report the limitation to the department.

(k) **Information sources**

(1) Consulting firms shall ensure the integrity and completeness of all source information relied upon in the course of the engagement.

(2) If industry comparisons are utilized in the course of the review, the exact purpose of the comparisons, the extent of the reliance upon and use of comparisons, and the relevance of the comparisons should be clearly set forth and approved by the department. All industry comparisons must be supported by sufficient and credible evidence. Industry comparisons shall not be used as the sole basis for a recommended improvement or underlying conclusion.

(Effective October 24, 1995)

Sec. 16-8-4. Reporting standards

(a) **Periodic reporting oral and/or written.** A written report shall be presented to the department after the audit examination is completed. Interim reports are to be transmitted in accordance with the engagement contract.

(b) **Timeliness of reporting.** Reports, both interim and final, shall be issued on or before the dates agreed to by the consulting firm or management audit team, the

department and the auditee. If for any reason, the consulting firm or management audit team shall be unable to meet such dates, the consulting firm or management audit team shall notify the department and the auditee at the earliest possible date.

(c) **Report form and content.** Unless otherwise provided by the department, the report shall:

(1) Include a statement of the audit objectives and a description of the audit scope and methodology;

(2) Include a statement of professional standards adhered to in the examination and report;

(3) Include a description of the strengths and weaknesses found in the auditee's management and operations;

(4) Include a description of noteworthy accomplishments, particularly when management improvements in one area may be applicable elsewhere;

(5) Include recommendations for actions to improve problem areas noted in the audit, and to improve operations; the underlying causes of problems reported to assist in implementing corrective actions;

(6) Except as required by a prudence review or other department-stated objectives, place primary emphasis on improvement rather than on criticism of the past; critical comments shall be presented in a balanced perspective considering any unusual difficulties or circumstances faced by the auditee;

(7) Quantify the potential benefits, net of costs, to be realized if the auditee were to implement the recommended improvements and provide the basis for such qualifications;

(8) State the qualitative benefits of implementing the recommended improvements;

(9) Include a listing of significant issues and questions, if any, needing further study and consideration;

(10) Include a statement as to whether any pertinent information has been omitted because it is deemed privileged or confidential, describe the nature of such information, and state the law or other basis under which it is withheld;

(11) Be written in a narrative form and in language as clear and simple as the subject matter permits;

(12) Be concise but, at the same time, detailed enough to be understood by users;

(13) Be objective and present factual data completely to fully inform the users;

(14) Present factual data accurately and fairly, and include only information, findings, and conclusions that are adequately supported by sufficient evidence in the working papers to demonstrate or prove the bases for the matters reported and their correctness and reasonableness;

(15) Present findings and conclusions in a convincing manner;

(16) Set priorities for recommendations based on their impact and importance;

(17) Provide sufficient information to acquaint department personnel and auditee personnel with the principles, methods, and techniques applied, so that the improvements suggested or installed may be properly managed or implemented and continued after completion of the engagement; and

(18) Address the steps required to implement a recommendation and present a timeframe, which the auditee has agreed to be reasonable, within which the recommended improvements could be implemented.

(d) **Noteworthy accomplishments.** Reports may acknowledge satisfactory performance and corrective action. Such acknowledgments may include, but are not limited to, areas wherein the auditee's methods/operations are considered to be at

the forefront of the state of the art. However, in that the primary purpose of the audit is to identify potential improvements, a simple acknowledgment of the well-managed area shall suffice.

(e) **Draft report review.** Before the final management audit report is issued, the consulting firm or management audit team shall present a draft report to the auditee for the sole purpose of permitting the auditee to verify the accuracy of the facts contained in the draft report. Other than the Department, no person or party, including the auditee and the Office of Consumer Counsel, shall view or otherwise be privy to the auditor's proposed conclusions and recommendations. At any time during the audit, and upon the Department's request, the auditor shall provide the Department a copy of any draft report. The Department may (1) verify the accuracy of facts contained in any draft report; (2) ensure a draft report's conformity with department regulations and with the scope of the audit; or (3) discuss with the auditor the contents of any draft report including the proposed conclusions and recommendations. The Department shall review draft reports within a reasonable period of time enabling the publication of the final audit report.

(f) **Findings of fraud or abuse (oral or written)**

(1) Consultants shall be alert to situations or transactions that could be indicative of fraud, abuse, or illegal expenditures and acts. If such indications exist, the consultant shall report the indications as appropriate to the auditee, including the chairman of the auditee's audit committee and the internal audit manager of the auditee, and inform the department. Consultants shall extend the workplan and procedures to identify the effect on management and operations as required by the department.

(2) Findings of fraud, abuse, or illegal acts may be covered in a separate report, as required by the department. The consultant and the department shall report serious indications of fraud, abuse or illegal expenditures and acts to the proper authorities as they deem fit pursuant to their professional judgment.

(g) **Forecasts.** Forecasts shall be substantiated by responsible opinions, statements and documentation. Forecasting methodologies shall be identified and described. All pertinent data sources and assumptions shall also be identified.

(Effective October 24, 1995; amended March 4, 2010)

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Protection of Whistle-Blowers

Sec. 16-8a-1. Definitions

For the purposes of Section 16-8a-1 through 16-8a-6 of the regulations:

(a) "Company" means a public service company as defined in Section 16-1 of the General Statutes of Connecticut;

(b) "Holding Company" means any holding company as defined in Section 16-47 of the General Statutes of Connecticut;

(c) "Licensee" means any federal Nuclear Regulatory Commission licensee operating a nuclear power generating facility in the State of Connecticut;

(d) "Person" means one or more individuals, firms, corporations, joint ventures, partnerships, associations, cooperative associations, business trusts, legal representatives, or any organized groups of persons; and shall include any trustees, receivers, assignees or personal representatives thereof;

(e) "Employer" means any company, holding company, or licensee, or any contractor or subcontractor directly or indirectly providing goods or services to a company, holding company, or licensee;

(f) "Employee" means any person engaged in service to an employer;

(g) "Department" means the Department of Public Utility Control;

(h) "Facility" means a nuclear power generating facility in the State of Connecticut;

(i) "Complaint" means the transmission of facts and information to the Department by an employee having knowledge of any matter involving substantial misfeasance, malfeasance or nonfeasance, or of the discharge, discipline or other penalizing of, or threat of retaliatory action against a person reporting the misfeasance, malfeasance or nonfeasance, in the management of a company or facility;

(j) "Complainant" means an employee who transmits a complaint to the Department; and

(k) "Equivalent position" means a position that provides the same level of pay and benefits, and the same or similar potential for career advancement for the employee as the employee's former position. Whenever possible and practical the equivalent position shall be in the same department, unit and location as the former position.

(Effective May 22, 1992; amended July 10, 1998, May 30, 2000)

Sec. 16-8a-2. Investigations by the department; limitations period for complaints; issuance of decisions by the department

(a) Any employee having knowledge of any matter involving substantial misfeasance, malfeasance or nonfeasance, or of the discharge, discipline or other penalizing of, or threat of retaliatory action against a person reporting the misfeasance, malfeasance or nonfeasance, in the management of a company or facility may transmit all facts and information in the possession of the employee concerning such matter to the Department in a form prescribed by the Department.

(b) The Department shall investigate any complaint in accordance with the provisions of Section 16-8 of the General Statutes of Connecticut.

(c) Any complaint shall be made to the Department within two years of the date when any matter occurred, or was discovered, or reasonably should have been discovered, concerning the subject of the complaint.

(d) The Department shall notify the employer by certified mail not more than five (5) business days after receiving a written complaint complying with the requirements of Section 16-8a-3(e) of the Regulations of Connecticut State Agencies. The

employer may file a response and both the complainant and employer may submit within twenty (20) business days from date of notice rebuttal statements or supporting evidence in the form of affidavits from witnesses and relevant documents, and may meet informally with the Department to respond verbally. The Department may consider any such responses received after twenty (20) business days only upon a showing of good cause and at the discretion of the Department.

(e) The Department shall make a preliminary finding within thirty (30) business days of receipt of a written complaint based on such evidence submitted without a public hearing.

(f) The Department shall initiate a full investigatory proceeding not later than thirty (30) days after making a preliminary finding.

(Effective May 22, 1992; amended July 10, 1998, May 30, 2000)

Sec. 16-8a-3. Posting of regulation by employer; confidentiality; procedure for filing a complaint

(a) No later than thirty (30) days after the effective date of this regulation, each employer shall post a copy of this regulation in a conspicuous location in the workplace where any employee can easily read it. The posted regulation shall contain the following heading, in type not less than twenty (20) point boldface:

**NOTICE TO EMPLOYEES
Department of Public Utility Control.**

(b) The Department will not treat as a complaint any information provided to the Department on an anonymous basis; but the Department shall not disclose the identity of any complainant without the consent of the complainant, unless the Department determines that such disclosure is unavoidable during the course of the investigation of a complaint. The contents of any complaint, and Department records related to any complaint, shall be exempt from disclosure under the Connecticut Freedom of Information Act, as provided in Chapter 14 of the General Statutes of Connecticut.

(c) Any complaint may be transmitted to the Department by facsimile machine or other form of electronic media, or in writing. The Department may request written verification of any complaint not transmitted in writing. Each written complaint shall be typewritten or printed clearly. The envelope containing the complaint shall be clearly marked on the front side with the inscription "CONFIDENTIAL," and the first page of the complaint shall be clearly marked with the inscription "CONFIDENTIAL" at the top. An original of any document submitted in support of a complaint shall be filed, except that a good quality photographic reproduction may be submitted if an original copy is not available. In addition, each complaint shall conform to any other filing requirement that may be established from time to time by the Executive Secretary of the Department.

(d) Prior to filing a formal written complaint a prospective complainant should contact the Department by telephone by calling the Department toll free at 1-800-382-4586, or by calling the Department at 860-827-2622. Each written complaint filed pursuant to Connecticut General Statutes Section 16-8a(c) shall be addressed to the Executive Secretary of the Department, 10 Franklin Square, New Britain, CT 06051. The Department will discuss and review the complaint and advise the complainant as to the complaint filing process.

(e) A complaint may be delivered to the Department by United States mail, private delivery service, or in person at the office of the executive secretary. Each written

complaint filed pursuant to Connecticut General Statutes Section 16-8a(c) shall contain a clear and concise statement of the matter complained of, and of the relief requested, including the material facts relied on by the complainant. Any relevant and material exhibits, illustrations, written testimony, or any other evidence may be annexed to a complaint. Each complaint shall include: the name, address and phone number of the employer and any parties against whom the complaint is made; facts and incidents occurring no more than two years prior to the date of filing presented in a concise chronological manner; names of witnesses to alleged incidents; and the name and address of the agent for service of process.

(f) Each complainant shall provide the complainant's mailing address or street address if the mailing address is a Post Office box and a telephone number at which the Department may contact the complainant. The complainant shall sign each written complaint filed pursuant to Connecticut General Statutes Section 16-8a(c).

(g) Not more than 30 business days after the receipt of a written complaint filed pursuant to Connecticut General Statutes Section 16-8a(c), in the form prescribed by the department, the department shall make a preliminary finding. If the department finds that an employee: (1) reported substantial misfeasance, malfeasance or nonfeasance in the management of the company, holding company or licensee; (2) the employee was subsequently discharged, suspended, demoted or otherwise penalized by having his status of employment changed by his employer; and (3) the employee's report was not knowingly false, the department shall issue an order requiring the employer to immediately return the employee to the employee's previous position of employment or an equivalent position.

(Effective May 22, 1992; amended July 10, 1998, May 30, 2000)

Sec. 16-8a-4. No retaliation by employer

(a) No employer or person may take or threaten to take any retaliatory action against any employee for the disclosure of information pursuant to the provisions of Section 16-8a of the General Statutes of Connecticut, as amended by Public Act No. 91-247, and Section 31-51m of the General Statutes of Connecticut.

(b) Any employee found to have knowingly made a false report shall be subject to disciplinary action by his employer, up to and including dismissal.

(Effective May 22, 1992; amended May 30, 2000)

Sec. 16-8a-5. Costs or expenses of a company related to department proceedings pursuant to section 16-8a of the General Statutes of Connecticut

No costs or expenses associated with any action brought under the provisions of Section 16-8a of the General Statutes of Connecticut, or Section 31-51m of the General Statutes of Connecticut, may be included in the rates or charges of any company until such time as the Department or the Connecticut Department of Labor, in a final decision, finds in favor of the company; or if such action is appealed, until such time as the court finds, in a final decision, in favor of the company.

(Effective May 22, 1992; amended May 30, 2000)

Sec. 16-8a-6. Enforcement

The Department may issue orders, including cease and desist orders, under Section 16-9 of the General Statutes of Connecticut, and the Department may impose civil penalties under Section 16-41 of the General Statutes of Connecticut, to enforce the provisions of Section 16-8a of the General Statutes of Connecticut, as amended by Public Act No. 91-247.

(Effective May 22, 1992; amended May 30, 2000)

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Excessive Rates Pursuant to Public Act 94-219

Comparatively Excessive Rates

Sec. 16-10a-1. Definitions

As used in this section:

(a) "Company" means any public service company as defined in § 16-1 (4) of the Connecticut General Statutes, that has 5,000 or fewer customers, other than a community antenna television company as defined in section 16-1 (14), and including any water company as defined in section 16-1 (10) regardless of the size of the customer base.

(b) "Customer" means any person, firm, corporation, company, association, governmental unit, or lessee who by the terms of a written lease is responsible for a water bill or owner of property furnished utility service by a service company.

(c) "Department" means the Department of Public Utility Control.

(d) "Economic Development" means the maintenance and improvement of business, industry and commerce and tourism in the state.

(e) "Petition" means a request for department review of a company's rates that meets the requirements of section 16-10a-2 and is in compliance with the provisions governing petitions to the department in general, sections 16-1-10 through 16-1-15 and sections 16-1-45 to 16-1-52, the suitable form to be provided by the department.

(f) "Rates" means any tariff, rate, charge, or contract authorized by the department pursuant to sections 16-19 or 16-19e of the General Statutes.

(g) "Same or similar service" means a company provides the types and mix of services (residential only; residential and commercial; residential, commercial and industrial) offered by a company that is the subject of the petition.

(h) "Unreasonable cost" means that rates are excessive based upon factors including but not limited to, tax liability, size, supply source, age/condition of infrastructure and compliance with state and federal regulations, and other relevant factors pertinent to public service companies.

(Effective October 26, 1995)

Sec. 16-10a-2. Petitions

The petition must contain information establishing that another company (or companies) with the same or similar service has comparatively lower rates. The petition must also contain information that the comparatively higher rates charged by the company have been at that level for five consecutive years preceding the filing of the petition; and inhibit the economic development of the area served by the company or impose an unreasonable cost on the customers. The petition must contain information establishing that the costs of the subject company are unreasonable when compared with another company (or companies) with the same characteristics.

(Effective October 26, 1995)

Sec. 16-10a-3. Hearing

The department may hold a hearing on a petition regarding comparatively excessive rates if (1) it determines that the petition satisfies the criteria set forth in section 16-10a-1 (e), and (2) a previous petition has not been acted upon by the department in the 18 month period prior to the petition or within an 18 month period subsequent to a rate proceeding involving the Company.

(Effective October 26, 1995)

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Gas Companies Operating Within the State of Connecticut

Part I

Definitions

Sec. 16-11-1. Gas company

The term “gas company,” when used in these regulations, includes every corporation, company, association, joint stock association, partnership or person, or lessee thereof, owning, leasing, maintaining, operating, managing or controlling mains, pipes or other fixtures, in public highways or streets, for the transmission or distribution of gas not in excess of an internal gas pressure of two hundred pounds per square inch gauge for sale for light, heat or power within this state, or engaged in the manufacture of gas to be so transmitted or distributed for such purpose.

(Effective March 31, 1964)

Sec. 16-11-2. Customer

The term “customer” means any person, firm, partnership, company, corporation, municipality, cooperative, organization, governmental agency, or similar organization supplied with gas service by any gas company.

Sec. 16-11-3. Commission

The term “the commission” means the public utilities commission of the state of Connecticut.

Sec. 16-11-4. Gas main

The term “main” means a gas pipe, owned, operated or maintained by a gas company, but does not include “gas service.”

Sec. 16-11-5. Gas service

The term “gas service” means the piping and appurtenances which connect a gas main with the inlet connections of a gas meter on a customer’s premises.

Sec. 16-11-6. Cubic foot

The term “cubic foot” of gas has the following meanings:

(1) In cases where gas is supplied and metered to customers at standard delivery pressure, a cubic foot of gas shall be defined to be the volume of gas which, at the temperature and pressure existing in the meter, occupies one cubic foot, except that a temperature and pressure correction to standard conditions shall be permissible at the gas company’s option when large volumes of gas are being metered.

(2) In cases where gas is supplied to customers through orifice or positive displacement meters at other than standard delivery pressure, a cubic foot of gas shall be defined to be that volume of gas which, at 60°F. and at absolute pressure of 14.73 pounds per square inch, (thirty inches of mercury) occupies one cubic foot; except that, in cases where different bases that are considered by the commission to be fair and reasonable are provided for in gas sales contracts or in rules or practices of a gas company, such different bases shall be effective.

(3) The standard cubic foot of gas for testing the gas itself for heating available shall be that volume of gas which, when saturated with water vapor and at a temperature of 60°F., and under a pressure equivalent to that of thirty inches of mercury (mercury at 32°F., and under standard gravity), occupies one cubic foot.

Sec. 16-11-7. British thermal unit

The term “British thermal unit” means the quantity of heat required to raise the temperature of one pound of water 1°F at the maximum density of water.

Sec. 16-11-8. Therm

The term “therm” means a unit of heating available equivalent to one hundred thousand British thermal units.

Sec. 16-11-9. Statutory references

Reference to sections of the general statutes refers to the Connecticut general statutes, revision of 1908, except where otherwise noted.

Part II

CONTINUITY OF SERVICE

Sec. 16-11-10. Record of interruptions

(a) Every gas company shall keep a record of each interruption of service to its entire system or major division thereof, including a statement of the time, cause, extent and duration of the interruption.

(b) Every gas company shall keep a record of the time of starting and shutting down its generating units, governors and compressors and of the indication of station instruments at sufficiently frequent intervals to show the characteristics of the service, and the details of any changes in operating practice when they occur.

(c) Planned interruptions shall always be preceded by adequate notice to all affected customers.

Sec. 16-11-11. Accidents

(a) Every gas company shall at all times use every effort to properly warn and protect the public from danger and shall exercise all possible care to reduce the hazard to which employees, customers and others may be subjected by reason of its equipment and facilities.

(b) Every gas company shall assist the commission in promptly examining into the causes of and the circumstances connected with all fatal accidents and other accidents of a serious nature.

[For statutory provisions relating to the reporting of accidents, see appendix following section 16-11-48.]

Sec. 16-11-12. Gas leaks

(a) A systematic inspection program shall be maintained for the purpose of detecting leaks and observing conditions which might cause or be connected with possible leaks. Leakage inspection may be accomplished by any single or combination of the following methods: Vegetation surveys, line patrolling, and the testing of bar-holes and utility manholes with a combustible gas indicator.

(b) Every gas company shall make prompt investigation of each report of a gas leak to discover and correct the cause. A record shall be kept of the condition found and the corrective measures taken.

(c) Each gas company shall report to the commission such leaks as are caused by broken mains, services, and defective joints which are of such a nature as might have resulted in serious consequences.

(d) Every gas company shall provide itself with one or more reliable devices for detecting the presence of combustible gas in the atmosphere.

Part III

QUALITY CONTROL

Equipment, Standards, Records and Reports

Sec. 16-11-13. Testing equipment and facilities

(a) Every gas company shall, unless specifically excused by the commission, provide for and have available such shop facilities, instruments and other equipment and accessories as may be necessary to carry out the tests required by these regulations. All testing equipment shall be properly maintained, and shall be available at all reasonable times for inspection, approval and use by the commission or its qualified representatives. Gas companies may arrange for the joint use of such facilities.

(b) Testing equipment shall be so located and used that the samples of gas tested shall be typical of the gas being distributed in the system.

Sec. 16-11-14. Heating value

(a) Each gas company shall file by statement, with the commission, as a part of its schedule of rates or rules and regulations, the heating value of the gas being distributed. The heating value of the gas shall be maintained with as little deviation as practicable; and to this end the average heating value on any one day should not vary by more than five per cent from the monthly average except when a substitute gas is used in accordance with the provisions of subsection (c).

(b) In maintaining the established heating value, the chemical composition and specific gravity shall be such as to attain satisfactory combustion in the customer's appliances at all times without repeated readjustment of the burners.

(c) When supplemental or substitute gas is distributed by a gas company, the gas quality shall be such that the utilization performance, when used as a fuel, will be satisfactory regardless of the heating value of the gas.

Sec. 16-11-15. Heating value tests—records and reports

(a) Every gas company shall regularly determine the heating value of the gas as supplied to the customers, using standard calorimeter equipment in accordance with accepted methods. At least one such determination shall be made each day except on Sundays and holidays.

(b) Each determination of heating value shall be recorded originally upon a form adopted for that purpose.

(c) When two or more communities are served entirely from a common gas supply, the commission may permit the heating value to be determined at a single suitable location.

(d) The gas company supplying natural gas shall make sufficient tests, or have access to such tests made by its suppliers, as to ascertain the heating value.

(e) These tests shall be made at a location, or locations, which will insure a representative sampling of the gas being sent out to the distribution systems.

(f) Every gas company shall report to the commission, not later than the tenth day of each month, the monthly average, together with the number of tests included in the average, and the maximum and minimum day averages of the heating value of the gas supplied during the calendar month preceding.

(g) The average for any day shall be determined from the record of a recording calorimeter where such record is available, or it shall be taken as the average of

the results of all tests of heating value made on that day. The average of all such day averages shall be taken as the monthly average.

Sec. 16-11-16. Calorimeter equipment

The gas company shall maintain or have access to a standard type calorimeter in an adequate testing station located as specified in section 16-11-13. The gas company may use a standard recording calorimeter which shall be maintained in proper working order and shall be checked periodically with a standard calorimeter or against a standard gas. Both calorimeter and method of testing shall be subject to inspection and approval by the commission.

Sec. 16-11-17. Gas odor

All gas supplied to customers shall possess a distinctive odor to act as an indicator to its presence. Any gas which does not naturally possess such an odor shall have added to it an odorant to meet this requirement. Upon request of the commission, the company shall report the kind and method of odorization.

Sec. 16-11-18. Purity of gas

(a) Every gas company supplying manufactured gas shall daily, except Sundays and holidays, test the gas for the presence of hydrogen sulphide in the manner specified in the following subsection.

(b) The hydrogen sulphide in the gas shall be considered negligible if a strip of white filter paper moistened with a solution containing five per cent by weight of lead acetate is not distinctly darker than a second paper freshly moistened with the same solution, after the first paper has been exposed for one minute in an apparatus through which a stream of the gas is flowing at the rate of approximately five cubic feet per hour, the gas not impinging directly from the jet upon the test paper.

(c) All gas sold for heating or lighting shall contain not more than thirty grains total of sulphur per one hundred cubic feet nor more than five grains of ammonia per one hundred cubic feet.

(d) No gas shall contain impurities which may cause excessive corrosion of mains or piping or form corrosive or harmful fumes when burned in a properly designed and adjusted burner.

(e) Every gas company producing more than one hundred million cubic feet of manufactured gas per year, containing sulphur or ammonia, shall provide and maintain such apparatus and facilities as are necessary for the determination of total sulphur and ammonia in the gas; and each such gas company shall at least once each month determine the amount of total sulphur and ammonia in the manufactured gas distributed by it.

(f) When two or more communities are served entirely from a common supply of gas, the commission may permit tests for impurities to be made at a single suitable location.

Sec. 16-11-19. Maintenance of utilization pressure

The pressure of the gas, measured at the outlet of the service meter of any customer, shall be maintained at a pressure that will provide safe, efficient utilization of the gas as a fuel in any customer's properly adjusted appliance.

Sec. 16-11-20. Pressure testing and maintenance of standards

(a) Every gas company shall make such determination and keep such records of pressure as will enable it to have at all times a substantially accurate knowledge of the pressure existing in every part of its distributing system.

(b) The pressure records shall be properly identified, dated and filed.

(c) All recording pressure gauges shall be tested periodically and maintained in an accurate condition.

Meters: Use, Location, Accuracy Tests

Sec. 16-11-21. Use of meters

All gas sold by a gas company and all gas consumed by the gas company shall be metered, except in case of emergency, or when otherwise authorized by the commission. Each meter shall bear an identifying number and shall be plainly marked to indicate the units of the meter index. When gas is sold at higher pressure or in large volumes, the contract or rate schedule shall specify the method to be used to correct the gas volume. Prepayment meters shall not be installed except where there is no other satisfactory method of collecting payment for the service rendered.

Sec. 16-11-22. Meter location

(a) Meters may be located inside or outside of a building depending upon local conditions and all meters shall be accessible for reading.

(b) When located inside a building, the meter shall be installed as near as practicable to the point of entrance of the service, be in a clean, dry, safe place and be supported in such a manner as to be as free as possible from damage that will render it unsafe or inaccurate.

(c) When located outside a building, the meter shall be installed as near as practicable to the building and be supported in such a manner as to be as free as possible from damage that will render it unsafe or inaccurate. The gas company shall install an accessible shut-off cock ahead of the meter.

Sec. 16-11-23. Meter accuracy

(a) Every gas service meter, before being installed for the use of any customer, shall be in good order and shall be adjusted by the gas company or its agents to register correctly within the tolerances herein specified. Tests at a rate of flow of one-fifth or less of rated capacity and at a rate of flow equal to or greater than the rated capacity of the meter are required for this determination. The tests at the two rates of flow shall agree within one per cent and the accuracy of the meter at the lower rate of flow shall be within a tolerance of plus or minus one per cent.

(b) Every gas meter removed from service, if practicable, shall be tested for accuracy, at a rate of flow of approximately one-fifth of the rated capacity of the meter, and a record kept of such "as found" tests until the meter is permanently retired from service.

(c) At the time the meter is placed in service either the meter index shall be set at zero or the meter index reading shall be recorded.

Sec. 16-11-24. Meter—periodic tests

No gas meter shall be allowed to remain in service more than sixty months without being retested and if necessary being adjusted to register within the tolerance prescribed in subsection (a) of section 16-11-23. The commission may permit a gas company to vary this maximum period for certain classes of meters where it can be shown that the revised schedule is justified.

Sec. 16-11-25. Meter tests by request

Every gas company shall, upon written request of a customer, and, if he so desires, in his presence or that of his authorized representative, make a test of the accuracy

of the meter in use at his premises; provided the meter has not been verified by the gas company within the period of one year previous to such request and provided the customer will agree to abide by the results of such tests as the basis for the adjustment of disputed charges. Upon such request by a customer, or upon an order for a meter test made by the department, the company shall notify the customer, in writing and within one week of the request for the meter test, that he, or his authorized representative, has the right to be present at the meter test. If said customer, or his authorized representative, desires to be present at the meter test, the customer or his authorized representative shall contact the company within 10 (ten) days of the written notification to arrange to be present at the test. Upon such notification, the company shall schedule a meter test, at a time during the normal operating hours of the company's meter testing facility, which is convenient to both the customer, or his authorized representative, and the company, as soon as possible. A written report of the results of the test shall be furnished the customer by the gas company.

(Effective May 22, 1992)

Sec. 16-11-26. Meter test—referee

A gas company, after notification by the commission that a test is to be made pursuant to the provisions of section 16-259 of the general statutes, shall not adjust, disturb or remove the meter in question, except as directed by the authorized representative of the commission.

Sec. 16-11-27. Meter test—methods

(a) All meter tests shall be made by thoroughly trained personnel.

(b) All tests in determining accuracy of any gas service meter shall be made with a meter prover, unless, because of the unusual capacity or construction of the meter, such method of test is considered impracticable, and another method of test has received the approval of the commission.

Sec. 16-11-28. Meter testing equipment

(a) Every gas company furnishing metered gas service shall have access to at least one suitable meter prover maintained in good condition and correct adjustment so that it shall be capable of determining the accuracy of any service meter to within one-half of one percent.

(b) Every meter prover shall be supplied with all accessories needed for accurate meter testing and shall be located in a room suitable for the work to be done, protected from draughts and excessive changes of temperature.

(c) Every prover shall be accompanied by a certificate signed by a proper authority, giving the date when such prover was last tested and adjusted, or a tag referring to such certificate may be attached when more practicable. These certificates when superseded shall be kept on file in the office of the gas company. Every gas company shall keep the commission informed as to the prover equipment in use, reporting the accuracy at the time of each certification, and notify the commission in writing of any alteration, accident or repair which might affect the accuracy of any prover.

Sec. 16-11-29. Records of meters and meter tests

(a) *Meter* records shall be kept *and* systematically arranged, indicating the date of the purchase of each meter, its size or capacity rating, the date and place of * * * *the latest installation or removal* * * *. These records shall be preserved * * * *for the life* of the meter * * *.

(b) *** *A record shall be prepared of every meter test, indicating the information necessary for identifying the meter, the reading of the meter just prior to the test, the computed accuracy of registration both as found and as left, together with the data taken at the time of the test, to permit the convenient checking of the methods employed and of the computations leading to the result. These records shall be preserved until a new meter test record has been obtained. Test records of meters destroyed or permanently removed from service shall be preserved for at least two years.*

(c) Every gas company shall report annually or more often, if requested by the commission, a summary of the "as found" tests in such form as may be designated by the commission.

(Effective March 31, 1964)

Customer Relations

Sec. 16-11-30. Information to customers

(a) Every gas company shall, upon request, give its customers such information as is reasonable in order that the customers may secure safe, adequate and proper service, and inform customers as to how meters may be read; and it shall render its customers reasonable assistance in securing appliances properly adapted and readjusted to the service furnished.

(b) Every gas company shall, upon request, render a statement of the past readings of a customer's meter for any period not necessarily in excess of fifteen months.

Sec. 16-11-31. Utilization by customers

(a) All maintenance and repairs, including replacement where necessary, of the service pipe, between the main and the customer's house up to and including the meter, shall be performed by the gas company at its own expense.

(b) The gas company shall be required to test the customer's piping for gas leaks, at time of turn on by the gas company, by observing that no gas passes through the meter when all appliances are turned off. The gas company shall refuse to serve until all gas leaks so disclosed have been properly repaired by the customer.

Sec. 16-11-32. Customer bills and deposits

Repealed, effective July 9, 1968.

Sec. 16-11-32a. Customer deposits

(a) Each gas company may require from any customer other than residential customers as defined in section 16-3-200 (a) (3) or prospective customer other than a prospective residential customer as defined in section 16-3-200 (a) (4) a deposit to guarantee payment of bills. Such deposit shall not exceed an amount equivalent to the estimated maximum bill for ninety days.

(b) Each utility having on hand deposits from customers, or hereafter receiving deposits from customers, shall keep records to show: (i) the name of the customer making the deposit; (ii) the account number or other identification of the premises occupied by the customer when the deposit was made; (iii) the amount and date of making the deposit; (iv) a record of each transaction concerning the deposit.

(c) Each utility shall issue a receipt to every customer from whom a deposit is received and shall provide means whereby the depositor may receive his deposit or balance if such receipt is lost.

(d) Interest on any security deposit received from a customer for each calendar year shall be paid at the rate prescribed in Section 16-262j of the general statutes. Interest shall accrue daily and shall be paid or credited to the customer's account annually. Accrued interest shall be paid upon return of the deposit if such return is made at other than the annual payment date for interest.

(e) The deposit shall cease to draw interest on the date it is returned, on the date service is terminated or on the date notice is sent to the customer's last-known address that the deposit is no longer required.

(f) A record of each unclaimed deposit and the interest thereon shall be maintained until the funds are paid over to the state treasurer under the escheat provisions of the general statutes. During this time the utility shall make a reasonable effort to return the deposit and accrued interest.

(g) Deposits by customers other than residential customers as defined in section 16-3-200 (a) (3) may be retained by the utility as long as required to insure payment of bills.

(h) Upon final discontinuance of service the utility may apply such deposit, including accrued interest, to any amount due from the customer for service. Any balance due to the customer shall be promptly refunded.

(i) Deposits by customers other than residential customers, as defined in section 16-3-200 (a) (3) shall be returned, together with accrued interest, where satisfactory credit has been established.

(Effective August 19, 1992; amended August 5, 1997)

Sec. 16-11-33. Customer service requests

Every gas company shall make prompt and full investigation of each complaint and other service requests made to it, either at its office or in writing by any customer; and it shall keep a record of all substantial complaints, which shall show the name and address of the complainant, the date and nature of the complaint and the adjustment or disposal thereof. Records of such complaints shall be kept for a period not less than three years.

Sec. 16-11-34. Meter reading and bill form

(a) Meters shall be read each month at regular scheduled intervals, unless special permission is granted. Bills shall be rendered promptly after a reasonable period for preparing the bills. When there is good reason for doing so, estimated bills may be submitted. Estimated bills of residential customers shall be rendered in accordance with the provisions of section 16-3-102 of the regulations of Connecticut state agencies.

(b) Every gas company shall show, on all periodically rendered bills, the present and previous reading dates, the quantity of gas consumed, the rate code, the fuel charge, if any, the amount of the bill, and such other information as will, in conjunction with its published rates, make possible a convenient recomputation of the charges assessed.

(Effective June 7, 1978)

Sec. 16-11-35. Adjustment of bills for meter error

(a) Whenever the test of a meter reveals it to be fast by more than four per cent, the gas company shall refund to the customer such percentage of the amount of bills covering the consumption indicated by the meter for the previous six months as the meter was found to be in error at the time of test, unless it can be shown from the records of either party that the error found has existed for a greater or lesser period, in which case the refund shall cover such actual period.

(b) In the case of a nonregister meter, the customer may be billed on an estimate based on previous bills for similar usage.

(c) If unmetered gas is used without permission, the customer may be billed on a reasonable estimate of the gas consumed.

Sec. 16-11-36. Rate schedules

(a) Every gas company shall keep on file, in its local office, open to public inspection, copies of all schedules of rates for each class and type of service, forms of agreement, and all rules and regulations respecting the relations of the customer and gas company.

(b) Every gas company shall, upon request, furnish a customer with the schedule of rates applicable to such customer.

(c) Every gas company shall render service to a customer only at rates provided for in the rate schedules on file with the commission, or as prescribed by order of the commission, except as provided in subsection (f).

(d) Every new schedule of rates and any change in rates to be established by any gas company pursuant to statute shall be filed with the commission not less than ten days in advance of the date upon which it is to become effective.

(e) Every gas company shall file with the commission any change made in the filed rules and regulations respecting the relations of the customer and the gas company not less than ten days in advance of the date upon which such change is to become effective.

(f) Every gas company shall file with the commission all special contracts or agreements for billing of gas service to any customer or other utility where the rate to be billed is other than that on file with the commission.

Sec. 16-11-37. Change in gas characteristics

(a) Any change in the heating value, utilization pressures, or other characteristics of the gas which might impair the safe, efficient utilization of the gas as a fuel in the customer's appliances shall not be made unless the gas company makes the necessary adjustments to the customer's appliances.

(b) In the event of such change, the gas company shall give adequate notice to the customers of the pending changes and shall conduct the adjustment program without charge and with a minimum of inconvenience to the customers, provided any change in heating value shall have the approval of the commission as set forth in section 16-11-14.

Sec. 16-11-38.

Repealed, August 19, 1992.

Sec. 16-11-39. Reference to commission

In the event of any dispute involving the interpretation of these regulations, any aggrieved party may refer the dispute to the commission for settlement.

Construction and Operation of Plant

Sec. 16-11-40. Regulator stations

(a) Regulators

(1) All distribution main systems, other than low-pressure systems, that are being supplied through a pressure reducing valve or regulator, shall be protected by suitable safety devices to insure that the failure of a regulator shall not impose pressure on

any part of a system beyond those for which it is designed to operate. (2) In all low-pressure systems, the down stream of the regulator station shall be protected to insure that the pressure of gas shall at no time exceed a maximum of two pounds per square inch gauge at the inlet of any gas service lateral. (3) Regulators supplying distribution systems shall be checked once a month to determine that there is no gas leakage in the station and that the equipment is in operable condition. Once a year this equipment shall be inspected internally, and overhauled if required.

(b) **Ventilation.** (1) All district regulator enclosures shall be ventilated in a way to remove accumulations of gas or shall be closed to prevent intentional or accidental introduction of sources of ignition into the enclosures. (2) Ventilation shall also include provision for the venting of diaphragms of regulators and pressure relief devices to the outside atmosphere. The vent shall be of a size no smaller than the connection provided by the manufacturer and so installed as to relieve the entire capacity of the relieving device. All vents shall terminate outside buildings, pits, and confined spaces in rain proof fittings and shall be installed with due regard to hazards to life and property by the venting of gas into the atmosphere.

(c) **Drainage.** Underground regulator stations shall not be connected by drain lines to a public sewer. Provision shall be made to minimize the entrance of water or for its removal, or the equipment shall be designed to operate properly if submerged.

(d) **Shutoff valves.** A shutoff valve shall be provided in the inlet line of each regulator station supplying a low pressure distribution system. This valve shall be in an accessible location not closer than twenty-five feet from the nearest wall of the station nor preferably more than one thousand feet distant. These valves shall be checked at least once each year by closing and operating insofar as operating conditions permit.

(e) **Auxiliary equipment.** (1) Where electrical equipment is required in regulator stations, it shall be designed and installed in accordance with Article 500 of the latest edition of the National Electrical Code and shall meet the requirements thereof for Class I locations. (2) Where regulators require supports, they shall be of fire-proof material.

Sec. 16-11-41. Services

(a) **Regulators.** (A device for reducing and controlling pressures between the service and house piping) (1) Any customer's service being supplied through a customer service pressure regulator shall be protected by a suitable safety device to prevent the development of pressures in excess of two pounds per square inch gauge. (2) Provision shall be made for the venting of the diaphragms of service pressure regulators and pressure relief devices to the outside atmosphere. The vent shall be of a size no smaller than the connection provided by the manufacturer and so installed as to relieve the entire capacity of the relieving device. Such vent or vents shall terminate outside buildings, pits and confined spaces in rain-proof fittings and shall be installed with due regard to hazards to life and property by the venting of gas into the atmosphere. (3) All service pressure regulators installed on the customer's premises shall be maintained in proper working order and shall be periodically inspected in place, preferably at the time of removal of the meter for periodic testing. The inspection shall consist of external examination of the regulator, its piping, seal, vent line and operating condition.

(b) **Shutoffs.** (1) All services entering a building shall be provided with a shutoff inside of the building and ahead of the meter. Where a service pressure regulator is part of the metering installation, the shutoff shall be located upstream of the other

gas service fittings within the building. (2) A shutoff shall be installed at the curb or property line on all gas services supplying gas to a theater, church, school, factory or other building where large numbers of persons assemble and on all gas services where the inlet pressure to the service is in excess of two pounds per square inch gauge. In the case of an outside meter or regulator installation, subsection (c) of section 16-11-22 shall apply. (3) Shutoffs may be either a cock or a valve and shall be accessible and maintained in proper working order.

(c) **Installation of services.** (1) The gas company may furnish and install, but shall maintain free of charge, a gas service from the gas main adjacent to the customer's premises to the customer's property line or curb when in its judgment the cost of installation is reasonable and the use of gas is sufficient to warrant it. (2) While the service connections from the property line to the customer's metering equipment shall ordinarily be installed at the expense of the customer and shall be maintained by the company, the company may furnish such service connections in whole or in part when, in its judgment, the cost of installation is reasonable and the use of gas is sufficient to warrant it.

Sec. 16-11-42. Gas system construction and maintenance

(a) The gas company shall maintain its entire plant, and all facilities owned or operated by it and used in furnishing gas, in such condition as to render adequate and continuous service. Every gas company shall at all times use every effort to properly protect the public from danger and shall exercise due care to reduce the hazards to which employees, customers and others may be subjected by reason of its equipment and facilities.

(b) Unless some other material is approved by the commission, cast iron, wrought iron, steel or copper shall be used for mains and services in low pressure and intermediate pressure systems, and wrought iron or steel in pressure systems operated in excess of one hundred pounds per square inch gauge.

(c) Mechanical or flexible couplings shall be used on cast iron mains and services, but cement or lead joints may be used when soil conditions assure satisfactory foundations.

(d) Flexible couplings or welded joints shall be used on wrought iron or steel mains and services but screwed couplings may be used for pipe four inches in diameter or less.

(e) Provisions for expansion, by expansion joints or otherwise, shall be made where necessary on runs of exposed pipe.

(f) As far as practicable, all pipe shall be laid below average frost line but for cast iron pipe the top of the bell shall be a minimum of thirty inches below the ground surface.

(g) Whenever normal excavation discloses unsatisfactory foundation, one or more of the following corrective measures shall be adopted: (1) Excavate to good bearing soil and backfill to pipe grade with suitable material well tamped to provide adequate support; (2) support with a concrete slab; (3) support with piling; (4) use steel or wrought iron pipe with flexible couplings and, in unusually wet or corrosive soil, treat the steel pipe with a protective coating.

(h) Pipe on a highway bridge shall be so located and protected as to reduce hazard to a minimum.

(i) All gas mains shall be laid clear of all other underground structures and shall not be laid in the same trench with other underground utilities in order to minimize the possibility of gas leakage by reason of any movement of such structures or of

the mains. Gas services may be laid in the same trench with other underground utilities, with the exception of sewer pipes, provided such service pipes are laid at least twelve inches in a horizontal plane from other underground facilities. At crossings of mains and services with other underground structures clearances shall be not less than twelve inches. To secure compliance with the requirements of these regulations by others doing underground construction work, the gas companies should arrange with the other agencies having highway subsurface rights for adequate notification and inspection procedure.

(j) Pipe laid shall be tested and made tight before being placed in service.

(k) The ditch underneath, around and over the pipe shall be backfilled with good material thoroughly tamped to secure a firm support. To disclose any settlement of the backfill which may need correcting, newly filled ditches shall be reinspected at intervals for sufficient period of time subsequent to completion of backfilling operations.

(l) Service connections may be tapped into cast iron mains if the diameter of the hole does not exceed one-quarter of the diameter of the main, otherwise, and in mains other than cast iron, a saddle, sleeve or welded connection may be used or a tee cut into the line.

(m) The service connection at the main or the run of service pipe shall allow for a reasonable amount of flexibility to prevent fracture or leaks at the connection with the main.

(n) At entrances to foundation walls or to regulator or valve pit walls, the pipe shall be protected against corrosion.

(o) Regulator pits and valve pits shall be constructed to safely sustain any reasonable load imposed thereon, and with sufficient foundation depth and stability to minimize the possibility of breaks in the pipe lines at the wall entrances.

Gas Company System Records

Sec. 16-11-43. Maps and records

(a) The gas company shall keep maps or records to show the size, location, character, and date of installation, of major items of its plant.

(b) Upon request, the gas company shall file with the commission an adequate description or maps, to define the territory served. All records which the commission may require the gas company to file except maps which shall be the gas company's standards shall be in a form satisfactory to the commission.

Sec. 16-11-44. Operating records

The gas company shall keep appropriate operating records for use in statistical and analytical studies for regulatory purposes. Such records shall include at least the following data: Gas manufactured, produced or purchased; real amount of gas sent out; the amount of coal, oil, electric energy and gas used; and labor charged against the above.

Sec. 16-11-45. Availability of records

All records and reports as required under these regulations shall be kept at the office or offices of the gas company, within the state unless permission is granted otherwise. Such records shall be preserved in complete form for at least three years, unless a longer period is specified, and shall be open for inspection by the commission or its authorized representatives at any and all reasonable times.

Sec. 16-11-46. Property identification

Each group of buildings or structures used in the production, refining or distribution of gas shall be provided with such signs as will definitely designate the name of the gas company owning or having the custody or maintenance of the same.

Sec. 16-11-47. Reports to commission

The gas company shall furnish to the commission, at such times and in such form as the commission may require, the results of any required tests and summaries of any required records. The gas company shall also furnish the commission with any information concerning the gas company's facilities or operations which the commission may request and need for determining rates or judging the practices of the gas company.

Sec. 16-11-48. Reconstruction not required

These regulations shall not be construed to require general reconstruction or re-equipping on the part of the gas company to conform with regulations for equipment or construction contained herein, not in force when such equipment was installed or construction made. The commission reserves the right to deal with specific cases as the particular conditions require.

Appendix**Report of accidents—Sec. 16-16, General Statutes.**

Repealed, July 7, 2010.

Inspection of meters—Sec. 16-259, General Statutes.

Upon petition of any person and the payment of a fee of one dollar for each meter, the commission shall cause to be inspected any meter used in measuring electricity, gas or water supplied to such petitioner. The commission may prescribe such limits of variation from accurate registration by such meters as it determines to be reasonable. The company supplying electricity, gas or water through any such meter shall reimburse the petitioner for such inspection fee if such meter is found out to register accurately within the limit of variation so prescribed, and shall not again use such meter until it is corrected and approved by the commission.

Service Supplied by Water Companies**Sec. 16-11-50. Definitions**

As used in sections 16-11-50 to 16-11-97, inclusive: (1) "Commission" means the public utilities commission of the state of Connecticut;

(2) "Company" or "utility" includes every person, partnership, corporation, company, association, joint stock association, or lessee thereof, owning, maintaining, operating, managing or controlling any pond, lake, reservoir or distributing plant employed for the purpose of supplying water for general domestic use in any town, city or borough, or portion thereof, within this state;

(3) "Class 1 utilities" means water companies having annual revenues of twenty thousand dollars or more;

(4) "Class 2 utilities" means water companies having annual revenues of less than twenty thousand dollars;

(5) "Customer" means any person, firm, corporation, company, association, governmental unit, lessee who by the terms of a written lease is responsible for the water bill, or owner of property furnished water service by a water company.

(6) "Meter" means any device for measuring the quantity of water used as a basis for determining charges for water service to a customer;

(7) "Premises" shall include but is not restricted to the following:

(A) A building or combination of buildings owned or leased by one customer, in one common enclosure, occupied by one family as a residence or one corporation or firm as a place of business, or

(B) each unit of a multiple house or building separated by a solid vertical partition wall occupied by one family as a residence or one firm as a place of business, or

(C) a building owned or leased by one customer and having a number of apartments, offices or lofts which are rented to tenants using in common one hall and one or more means of entrance, or

(D) a building two or more stories high under one roof owned or leased by one customer and having an individual entrance for the ground floor occupants and one for the occupants of the upper floors, or

(E) a combination of buildings owned by one customer, in one common enclosure, none of the individual buildings of which is adapted to separate ownership, or

(F) a public building, or

(G) a single plot, used as a park or recreational area;

(8) "Property" means all facilities owned and operated by a water company;

(9) "Main" means a water pipe, owned, operated and maintained by a company, which is used for the purpose of transmission or distribution of water but is not a water service pipe;

(10) "Service pipe" means the pipe that runs between the main and the customer's place of consumption.

(Effective April 12, 1978)

Sec. 16-11-51. Records

All records required by these regulations or necessary for the administration thereof shall be kept within this state, unless otherwise authorized by the commission. Said records shall be available for examination by the commission or its authorized representatives during all reasonable business hours.

(Effective October 18, 1966)

Sec. 16-11-52. Preservation of records

Unless otherwise specified by the commission, all such records shall be preserved for the period of time specified in the latest edition of the national association of railroad and utilities commissioner's publication, "Regulations to govern the preservation of records of electric, gas and water utilities."

(Effective October 18, 1966)

Sec. 16-11-53. Documents filed with commission

The utility shall file with the commission the following documents and information, and shall maintain such documents and information in a current status:

(1) A copy of the company's tariff, which shall include but not be limited to: (A) A copy of each schedule of rates for service, together with the applicable riders; (B) A copy of the company's rules, or terms and conditions, describing the company's policies and practices in rendering service. These rules shall include: (I) A list of items which the company normally furnishes, owns and maintains on the customer's premises; (II) The utility's extension plan or plans as required in section 16-11-61;

(2) A copy of each special contract for service which differs from the filed rates;

(3) A copy of each type of customer bill;

(4) The name, title, address and telephone number of the person who should be contacted in connection with: (A) General management duties; (B) customer relations and complaints; (C) engineering operations; (D) meter tests and repairs; (E) emergencies during non-office hours.

(Effective August 19, 1992)

Sec. 16-11-54. Protection against hazards. Assistance to commission

(1) Every company shall use every effort to warn and protect the public from danger and shall exercise all possible care to reduce the hazard to which customers, employees and others may be subjected by reason of its equipment and facilities.

(2) Every company shall make available to the commission all records, data, reports and statements of employees and shall assist the commission in promptly examining into the causes of and the circumstances connected with each accident which is the subject of commission investigation.

(Effective October 18, 1966)

Sec. 16-11-55. Sale on meter measurement basis

(1) All water sold by a utility shall be on the basis of meter measurements or as otherwise provided for in its rate schedules.

(2) Wherever practicable, consumption of water within the utility itself, or by administrative units associated with it, shall be metered.

(3) Separate premises shall be separately metered and billed. Combined billing will not be permitted except on the same premises. Any other arrangement shall require prior approval of the commission.

(4) Submetering shall be permitted only with the approval of the commission.

(Effective October 18, 1966)

Sec. 16-11-56. Meter reading sheets or cards

The meter reading sheets or cards shall show:

(1) The customer's name, address and service classification;

(2) the identifying number or description of the meter;

(3) meter readings and dates;

(4) identification of an estimated bill.

(Effective October 18, 1966)

Sec. 16-11-57. Reading of meters

Meters shall be scheduled to be read at least quarterly except for seasonal customers. Utilities shall avoid, insofar as practicable, sending a customer two successive estimated bills. Estimated bills of residential customers shall be rendered in accordance with the provisions of section 16-3-102 of the regulations of Connecticut state agencies.

(Effective June 7, 1978)

Sec. 16-11-58. Meter test records

Each utility shall maintain records of each test made of a meter for not less than two years. Test records shall include the following: (1) The date and reason for the test; (2) the type and capacity of the meter; (3) the reading of the meter before making the test; (4) the accuracy “as found” at each rate of flow; (5) the accuracy “as left” at each rate of flow; (6) if the test of the meter is made by using a standard meter, the utility shall retain all data taken at the time of the test in sufficient form to permit the convenient checking of the test methods and the calculations.

(Effective October 18, 1966)

Sec. 16-11-59. Records relating to meters

Each utility shall maintain records of the following data, where applicable, for each meter and associated metering device until retirement: (1) The complete identification, including manufacturer, number, type, capacity and units; (2) the dates of installation and removal from service, together with the location.

(Effective October 18, 1966)

Sec. 16-11-60. Cost for temporary or intermittent service

When the utility renders temporary or intermittent service to a customer, it may require that the customer bear all the cost of installing and removing the service in excess of any salvage realized.

(Effective October 18, 1966)

Sec. 16-11-61. Plans for financing main extensions

Each utility shall file a plan acceptable to the commission providing for financing of extensions of mains. Such plan shall be based upon the following principles:

(1) Mains having a diameter of less than six inches shall not be installed without prior approval of the commission;

(2) when it is determined, in accordance with a predetermined formula on file with the commission, that the anticipated revenues are insufficient to cover all operating expenses and to support the investment, advance payments, contributions or guarantee rates in excess of the regular established rates shall be required.

(3) Costs to be borne by patrons or developers under extension contracts shall be calculated on mains of the size required to serve the customer but shall not be calculated on mains larger than eight inches in diameter unless unusual customer requirements warrant a larger size main. Extension contracts shall include the cost of all service connections, as defined in section 16-11-62 (3), constructed in connection with the installation of new mains by either class 1 or class 2 utilities.

(4) Estimated costs shall be adjusted to actual costs upon completion of the work, except that the use of average costs, excluding paving, may be used under the advance or contributory forms of agreement.

(5) All main extension applications shall be made in writing and a contract executed before start of construction.

(6) When the utility determines, in accordance with a predetermined formula on file with the commission, that the anticipated revenues are insufficient to cover all operating expenses and to support the investment, the following conditions shall apply:

(A) Individual patrons shall be offered a choice of the three following plans: “Guarantee,” “Contributory” or “Refundable advance payment”;

(B) developers having lots for building construction or the sale of homes shall be offered either the contributory or refundable advance payments plans;

(C) all contributions or advances required shall be paid before material is ordered. Material shall be ordered within a reasonable time after receipt of deposit;

(D) no interest shall be paid on advance deposits;

(E) the "Guarantee" plan shall state the amount of the annual guarantee and shall be apportioned equitably among patrons on the extension, and the time of payment shall be specifically set forth;

(F) the "Refundable advance payment" plan shall provide for and state the amount to be refunded for each additional patron taking service from the extension and shall have a termination date. The time of payment shall be specifically set forth;

(G) the "Contributory plan" shall provide for the payment by the developer of the entire cost of the extension less the then present value of the anticipated payments, as determined by the utility, which, under a refundable advance payment plan, would become refundable to the developer;

(H) if a party other than the original patron seeks service from an extension which was constructed under a refundable advance payment contract, such party shall be required to advance an amount to the company representing his equitable share of the cost of the extension, and appropriate refund shall be made to the original patrons;

(I) if an additional party obtains service along an extension serving patrons under guarantee rates, appropriate adjustment shall be made in such guarantee rates.

(7) If an extension contract requires additional facilities, such as standpipes and booster pumps, and such facilities are not necessary to benefit the system as a whole, the cost of such facilities may, with the approval of the commission, be included in the water main extension contract. If facilities larger than required are installed to serve an extension, the company shall pay the excess cost.

(8) If a utility determines, with the Department's approval, that constructing and operating a water system not connected to the utility's existing system is more feasible than extending the utility's existing mains, the utility shall build such a non-connected water system in accordance with (7) above, and account for such construction in accordance with the Uniform System of Accounts. Any such non-connected water system shall be designed to accommodate adjacent growth of at least 10% over the non-connected supply's normal design demand. Any such non-connected water supply shall be constructed in conformance with section 16-11-79 of these regulations. Installing a non-connected water system in lieu of extending a utility's existing mains shall be considered feasible if conditions including, but not limited to, the following prevail: in a development with at least fifteen dwelling units or twenty-five persons, the investment for an extension exceeds \$5000 per dwelling unit or person; viable groundwater sources are present; and adequate fire protection may be provided.

(Effective May 27, 1986)

Sec. 16-11-62. Service connection costs: Class 1 utilities

In the case of class 1 utilities (1) the utility shall furnish, install, own and maintain at its expense all new service connections, provided the costs of excavation, backfill, and removal and replacement of paving, walks, curbs, etc., necessarily incurred in respect to new services, shall be borne by the customer or other applicant for service;

(2) the utility shall furnish, install, own and maintain at its expense all replacements of service connections, including the cost of excavation, backfill and removal

and replacement of paving, walks, curbs, etc., necessarily incurred in respect to each replacement;

(3) as used herein, service connection means the service pipe from the main to the curb stop, at or adjacent to the street line or the customer's property line and such other valves, fittings, etc., as the utility may require at or between the main and the curb stop, but does not include the curb box. All service connections shall include a curb stop;

(4) the customer at his own expense shall furnish, install, own and maintain the necessary curb box and the service pipe from the curb stop to the place of consumption and shall keep them in good repair and in accordance with reasonable requirements of the utility. A curb box shall be installed at each curb stop;

(5) the utility shall, with the cooperation of the customer, make an adequate inspection of the customer's service pipe in order to determine that it complies with company requirements, and

(6) all replacements and repairs of service connections owned by the utility shall be at its own expense.

(Effective October 18, 1966)

Sec. 16-11-63. Service connection costs: Class 2 utilities

In the case of class 2 utilities: (1) The customer at his own expense shall furnish, install and maintain all new service pipes from the connection at the main to the curb or property line and shall furnish, install, own and maintain all new service pipes from the curb or property line to the place of consumption, including excavation, backfill, removal, replacement of paving, walks, curbs, etc., and shall keep them in good repair in accordance with reasonable requirements of the utility. A curb stop and box shall be required on each service;

(2) the utility shall, with the cooperation of the customer, make an adequate inspection of the customer's service pipe in order to determine that it complies with company requirements;

(3) the customer at his own expense shall replace and maintain the service pipe from the main in the street to the premises served, including excavation, backfilling and replacement of paving.

(4) the utility shall be responsible for tapping of the main and furnishing the corporation cock for which a reasonable charge may be made.

(Effective July 9, 1968)

Sec. 16-11-64. Location of service pipe

(a) The service pipe shall extend through that point on the customer's property line or the street line easiest of access to the utility from its existing distribution system and, where practicable, from a point at right angles to the existing distribution line in front of the premises to be served. Service pipes shall not cross intervening properties or operate in place of a proper water main extension running in the street and fronting the property except as noted in subsection (b). The approval of the utility shall be secured as to the proper location for the service pipe.

(b) The utility or property owner, upon written request to the Department of Public Utility Control, and with proper easements in place, may be granted an exception to allow a service pipe to cross intervening properties. The utility or property owner may request such exception only under very exceptional hardship circumstances and then only on a case by case basis. Documentation shall be furnished to demonstrate that the proposed service line will ultimately serve no more than one premises, otherwise the water utility shall install a company-owned

main extension in accordance with Section 16-11-61. The following shall generally not constitute sufficient cause for granting an exception:

(1) When the intent is to avoid the time and expense of a proper main extension, and proper service pipe installation, or other reasonable engineering solution in conformance with good engineering standards of practice, or

(2) When the intent is to perpetuate an existing non-conforming condition through an extension or replacement of an existing non-conforming service pipe, or

(3) When an easement is proposed without sufficient evidence to show that alternative ownership of a suitable strip of land to establish frontage on a road is not feasible.

(Effective October 25, 1988)

Sec. 16-11-65. Meter installation

(1) Meter installed out of doors shall be so located as to be accessible to the utility's distribution line for proper service connection and so far as practicable the location should be mutually acceptable to the customer and the utility. The meter shall be installed so as to be unaffected by climatic conditions and reasonably secure from injury. Meter pits shall be owned and maintained by the property owner.

(2) Meters installed inside the customer's building shall be located as near as possible to the point where the service pipe enters the building and so as to be reasonably secure from injury and readily accessible for reading and testing. In case of multiple dwellings, such as two-family flats or apartment buildings, the meter shall be located within the premises served or in a location accessible to the customer and the utility.

(Effective October 18, 1966)

Sec. 16-11-66. Maintenance charges

All maintenance charges, including thawing of frozen services, shall be paid for by the party owning the service. Where the service from the main to inside the cellar wall is in part owned by the company and in part owned by the customer, the water company shall thaw out the frozen service, and one-half the cost thereof shall be paid by the customer.

(Effective October 18, 1966)

Sec. 16-11-67. Information to customers

Each utility shall:

(1) Furnish rate schedules and such additional information as the customer may reasonably request;

(2) upon request, inform its customers as to how meters are read and the method of computing the charges billed;

(3) notify customers affected by a change in rates or rate classification;

(4) maintain up-to-date maps, plans or records of its entire transmission and distribution systems, with such other information as may be necessary to enable the utility to advise prospective customers, and others entitled to the information, as to the facilities available for service in any locality.

(Effective October 18, 1966)

Sec. 16-11-68. Customer deposits

(a) Each utility may require from any customer or prospective customer a deposit to guarantee payment of bills. Such deposits shall not exceed an amount equivalent to the estimated maximum bill for ninety days.

(b) A company may not refuse to provide utility service where a residential customer lacks the financial ability to pay a security deposit, which is defined as:

(1) A person receiving local, state, or federal public assistance including but not limited to:

- (A) aid to the blind;
- (B) aid to families with dependent children;
- (C) old age assistance;
- (D) aid to the disabled;
- (E) medicaid;
- (F) supplemental security income; or
- (G) general assistance;

(2) A person whose sole source of financial support is derived from social security, veterans' administration or unemployment compensation benefits;

(3) A person whose income falls below one hundred twenty five per cent of the poverty level as determined by the federal government in accordance with the income poverty guidelines from the regional office of family assistance, department of health, education, and welfare or its successor agency; or

(4) A person whose circumstances threaten a deprivation of the necessities of life for himself/herself or dependent children of his/her household if payment of a security deposit is required.

(c) If a company has determined that a security deposit should be required from a residential customer, it shall inform that customer that service will not be denied if the customer lacks the financial ability to pay, and shall provide him or her with a copy of these regulations.

(d) Each utility having on hand deposits from customers, or hereafter receiving deposits from customers, shall keep records to show:

(1) The name of the customer making the deposit; (B) the account number or other identification of the premises occupied by the customer when the deposit was made;

(2) the amount and date of making the deposit; and

(3) a record of each transaction concerning the deposit.

(e) Each utility shall issue a receipt to every customer from whom a deposit is received and shall provide means whereby the depositor may receive his deposit or balance if such receipt is lost.

(f)(1) Interest on any security deposit received from a customer for each calendar year shall be paid at the rate prescribed in section 16-262j of the general statutes. Interest shall accrue daily and shall be paid or credited to the customer's account annually. Accrued interest shall be paid upon return of the deposit if such return is made at other than the annual payment date for interest.

(2) The deposit shall cease to draw interest on the date it is returned, on the date service is terminated, or on the date notice is sent to the customer's last-known address that the deposit is no longer required.

(g) A record of each unclaimed deposit and the interest thereon shall be maintained until the funds are paid over to the state treasurer under the escheat provisions of the general statutes. During this time the utility shall make a reasonable effort to return the deposit and accrued interest.

(h) Deposits may be retained by the utility as long as required to insure payment of bills.

(i) Upon final discontinuance of service the utility may apply such deposit, including accrued interest, to any amount due from the customer for service. Any balance due to the customer shall be promptly refunded.

(i) Deposits shall be returned, together with accrued interest, where satisfactory credit has been established.

(Effective August 19, 1992; amended August 5, 1997)

Sec. 16-11-69. Bill form

The bill form used shall show:

- (1) The name of the utility furnishing the service;
- (2) the reading of the meter at the end of the period for which the bill is rendered;
- (3) the present and previous meter reading dates;
- (4) the number and kind of units metered;
- (5) the applicable rate schedule, or identification of the applicable rate schedule;
- (6) the gross or net amount of the bill;
- (7) the date by which the customer must pay the bill in order to benefit from any discount and to avoid any penalty;
- (8) a distinct marking to identify an estimated bill;
- (9) any conversions from meter reading units to billing units or, in lieu of such information, a statement advising that such information can be obtained by contacting the utility's principal office;
- (10) the address or post office box where payment may be made;
- (11) telephone number of officers where information may be obtained.

(Effective October 18, 1966)

Sec. 16-11-70. Customer billing records

The utility shall retain customer billing records for the length of time necessary to permit the utility to comply with section 16-11-52 of these regulations.

(Effective October 18, 1966)

Sec. 16-11-71. Adjustment of bills

Bills which are incorrect due to meter or billing errors shall be adjusted as follows:

(1) Whenever a meter in service is tested and found to have over-registered more than two per cent, the utility shall adjust the customer's bill for the excess amount paid as determined below.

(A) If the time at which the error first developed or occurred can be definitely determined, the amount of overcharge shall be based thereon.

(B) If the time at which the error first developed or occurred cannot be definitely determined, it shall be assumed that the over-registration existed for a period equal to one-half of the time since the meter was last tested. If more than one customer received service through the fast meter during the period for which the refund is due, a refund shall be paid to the present customer only for the time during which he received service through the meter. (2) Whenever a meter in service is found not to register, the utility may render an estimated bill. The utility shall estimate the charge for the water used by averaging the amount registered over a similar period preceding or subsequent to the period of nonregistration or for a corresponding period in previous years, adjusting for any changes in the customer's usage. When it is found that the error in a meter is due to some cause, the date of which can be fixed, the overcharge or the undercharge shall be computed back to but not beyond such date. (3) Billing adjustments due to fast meters shall be calculated on the basis that the meter should be one hundred per cent accurate. For the purpose of billing adjustment, the meter error shall be one-half of the algebraic sum of the error at maximum test flow plus the error at intermediate test flow. (4) When a customer has been overcharged as a result of incorrect reading of the meter, incorrect calculation of

the bill, incorrect connection of the meter or other similar reasons, the amount of the overcharge shall be adjusted, refunded or credited to the customer. (5) When a customer has been undercharged as a result of incorrect reading of the meter, incorrect calculation of the bill, incorrect connection of the meter or other similar reasons, the amount of the undercharge may be billed to the customer.

(Effective October 18, 1966)

Secs. 16-11-72—16-11-73.

Repealed, August 19, 1992.

Sec. 16-11-74. Restoration of discontinued service

In all cases of discontinuance of service as herein defined, where the cause for discontinuance has been corrected and all rules of the utility on file with the commission have been complied with, the utility shall promptly restore service to the customer.

(Effective October 18, 1966)

Sec. 16-11-75. Reconnection charge

Where service has been discontinued in accordance with subsection (b) of Section 16-3-100 of the Regulations of Connecticut State Agencies, the utility may make a reasonable charge for reconnection of service. Such charge shall be applied uniformly and shall be incorporated in the rules of the utility.

(Effective August 19, 1992)

Sec. 16-11-76.

Repealed, August 19, 1992.

Sec. 16-11-77. Complaints

For the purpose of this section, “complaint” means objection to the charge, facilities or quality of service of a utility. When a complaint, oral or written, is made to the utility by a customer, the utility shall make a prompt and complete investigation and advise the complainant thereof. It shall keep a record of each such complaint which shall show the name and address of the complainant, the date and nature of the complaint and the adjustment or disposition thereof. A record of the original complaint shall be kept for a period of three years subsequent to the final settlement of the complaint.

(Effective October 18, 1966)

Sec. 16-11-78. Identification of employees

Any employee of a utility whose duties require him to enter the customer’s premises shall wear a distinguishing uniform identifying him as an employee of the utility, or carry on his person a badge or other identification prominently displayed which will identify him as an employee of the utility.

(Effective October 18, 1966)

Sec. 16-11-79. Design and construction of plant

The design and construction of the utility’s water plant shall conform to good standard engineering practice, including the minimum standards of the American Water Works Association. It shall be designed to make reasonable provision for the company’s water supply requirements for a period of at least fifteen years and operated so as to provide reasonably adequate and safe service to its customers and

shall conform to the requirements of the state department of health with reference to sanitation and potability of water.

(Effective October 18, 1966)

Sec. 16-11-80. Mains. Service pipes

(1) Mains. (A) Water mains shall be placed at such a depth below ground level, or otherwise protected, as will prevent freezing during the coldest weather experienced in the community in which laid, and will prevent damage to traffic. (B) Insofar as practicable, the utility shall design its distribution system so as to avoid dead ends in its mains. Where dead ends are necessary, the utility shall provide hydrants or valves for the purpose of flushing the mains. Mains with dead ends shall be flushed as often as necessary to maintain the quality of the water. (C) Valves or stop cocks shall be provided at reasonable intervals in the mains so that repairs may be effected by the utility with interruptions of service to a minimum number of customers. (D) All new mains shall be disinfected before being connected to the system. The method of disinfecting shall be in compliance with state department of health practices. (E) Wherever feasible, the distribution system shall be laid out in a grid so that, in case of breaks or repairs, the interruptions of service to the customers shall be at a minimum.

(2) Service pipes. (A) The size, design, material and installation of the service pipe shall conform to such reasonable requirements of the utility as may be incorporated in its rules, provided the minimum size of the pipe shall not be less than three-quarters inch nominal size except under unusual circumstances which shall be clearly defined. (B) All service pipes shall be laid at such a depth in accordance with the rules of the utility as will prevent freezing, except where services are not intended for use during freezing weather and are actually drained during such periods. (C) The utility shall inspect the service pipe to assure that it has been installed at proper depth and is free from any tee, branch connection, irregularity or defect.

(3) Whenever normal excavation discloses an unsatisfactory soil condition, one or more of the following corrective measures shall be employed: (A) Excavate to good bearing soil and backfill to pipe grade with suitable material well tamped to provide adequate support; (B) support with a concrete slab; (C) support with piling.

(4) Pipe on a highway bridge shall be located so as to reduce hazard to a minimum and shall be protected from freezing.

(5) In the case of pipes laid in trench as with other facilities: (A) Water mains shall be laid clear of all other underground facilities; (B) water mains may be laid in the same trench with other underground utility facilities except gas, oil or sewer pipes, provided at least eighteen inches separation, in a horizontal plane, shall be maintained and provided such arrangements shall be mutually acceptable to the parties concerned; and (C) water services may be laid in the same trench with other underground utility facilities except oil or sewer pipes, provided twelve inches separation, in a horizontal plane, shall be maintained and provided such arrangements shall be mutually acceptable to the parties concerned; (D) at crossings of mains and services with other underground facilities, clearances wherever possible shall be not less than twelve inches; (E) to secure compliance with the requirements of these regulations by others doing underground construction work, the utility shall arrange with the other agencies having highway subsurface rights for adequate notification and inspection procedure.

(6) Pipe laid shall be tested and made tight before being placed in service.

(7) The ditch underneath, around and over the pipe shall be backfilled with good material thoroughly tamped to secure a firm support. To disclose any settlement of

the backfill which may need correcting, newly filled ditches shall be reinspected at intervals.

(8) The service connection at the main or the run of service pipe shall allow for a reasonable amount of flexibility to prevent fracture or leaks at the connection with the main.

(Effective October 18, 1966.)

Sec. 16-11-81. Meter testing equipment

(1) Each utility furnishing metered water service shall provide the necessary standard facilities instruments and other equipment for testing its meters in compliance with these regulations. Any utility may be exempted from this requirement by the commission if satisfactory arrangements are made for tests of its meters by another utility or approved agency equipped to test meters in compliance with these regulations. (2) The utility's meter test shop shall, insofar as practicable, simulate the actual service conditions of temperature, inlet pressure and outlet pressure. It shall be provided with the necessary fittings, including a quick acting valve for controlling the starting and stopping of the test and a device for regulating the flow of water through the meter under test within the requirements of these regulations. (3) The over-all accuracy of the test equipment and test procedures shall be sufficient to enable tests of service meters within the requirements of these regulations. (4) Where a standard test meter is used for field testing of service meters, such device shall be checked in an approved meter shop for accuracy at least once a year, adjustments made when necessary and a record kept of such tests and adjustments.

(Effective October 18, 1966.)

Sec. 16-11-82. Pre-installation testing. Storage

Every water meter shall be tested as required by these regulations prior to its installation either by the manufacturer, the utility or any commission approved laboratory equipped for meter testing. Meters with oil-enclosed gear trains should be stored in an inverted position and, if not so stored, shall be tested immediately before installation.

(Effective October 18, 1966.)

Sec. 16-11-83. Test flows

(1) All meters used for measuring the quantity of water delivered to a customer shall be in good mechanical condition and shall be adequate in size and design for the type of service which they measure and shall be accurate to the following standards. (2) For determination of minimum test flow over normal test flow limits, the commission will use as a guide the appropriate standard specifications of the American Water Works Association for the various types of meters. These test flows for positive displacement type cold water meters are as follows:

FLOW IN G.P.M.

<u>Nominal Meter Size</u>	<u>Minimum</u>	<u>Intermediate</u>	<u>Maximum</u>
5/8"	0.25	2	15
3/4"	0.50	3	25
1"	0.75	4	40
1 1/2"	1.50	8	80
2"	2.00	15	120
3"	4.00	20	250
4"	7.00	40	350
6"	12.00	60	700

(3) Displacement meters shall be tested at each of the rates of flow stated above for the various size meters. A meter shall not be placed in service if it registers less than ninety-five per cent of the water passed through it at the minimum test flow or over registers or under registers more than one and one-half per cent at the intermediate or maximum limit. A repaired meter shall not over register or under register more than one and one-half per cent of the intermediate and maximum flows.
(Effective October 18, 1966.)

Sec. 16-11-84. Periodic and complaint tests

All meters tested in accordance with these regulations for periodic or complaint tests shall be tested in the condition in which found in the customer's service prior to any alteration or adjustment in order to determine the average meter error. Tests shall be made at the intermediate and maximum rates of flow and the average meter error shall be one-half the algebraic sum of the errors of the two tests.
(Effective October 18, 1966)

Sec. 16-11-85. Seal

Upon completion of adjustment and test of any water meter under the provisions of these regulations, the utility shall affix thereto a suitable seal in such a manner that adjustment or registration of the meter cannot be changed without breaking the seal.
(Effective October 18, 1966)

Sec. 16-11-86. Reports of tests

Each utility shall furnish to the commission, at intervals not exceeding one year, a report of the summary of all meter tests made. This report shall be in such detail as may be prescribed by the commission from time to time.
(Effective October 18, 1966)

Sec. 16-11-87. Restoration of meters removed from service

All water meters removed from service for repair or testing in accordance with these regulations shall be restored to the prescribed limits of accuracy as required by these regulations before again being placed in service.
(Effective October 18, 1966)

Sec. 16-11-88. Periodic and routine tests

Each utility shall adopt the following periodic and routine test and repair schedule of its meters:

<i>Size of Meter Inches</i>	<i>Interval between Test Years</i>
5/8	8
3/4	8
1	8
1 1/2	4
2	4
3	3
4	2
6 & larger	1

(1) If a utility's meters are maintained in compliance with the provisions for meter testing herein and in accordance with the above schedule, (or as the test interval

has been extended in part as described below), and if the utility has consistently demonstrated satisfactory compliance in its annual meter test report submissions to the Authority over the most current consecutive three-year period including the condition that the utility has not exceeded an amount of overdue meters equal to ten percent (10%) of the total due tests in any year over that three-year period, and if at least ninety percent (90%) of the meters so tested register an accuracy of not less than ninety-six percent (96%) nor more than one hundred two percent (102%) during the given three-year period, such utility, upon request, may be granted an extension in the time interval between test years. Such extension shall be in an increment of two years and shall apply only to those meters in sizes of five-eighths inch, three-quarters inch and one inch. Requests for subsequent two-year increment extensions shall require the same satisfactory annual test reporting and minimum three-year accuracy history and maximum allowed ten percent overdue meters, as described above, for the then current test interval meters. The maximum allowed meter test interval period shall be sixteen years.

(2) If a utility's water meter testing program does not comply in whole or in part with the standards and requirements prescribed in subsection (1) above during a consecutive three-year period, the time interval between test years for those meters in sizes of five-eighths through one inch may be reduced by the Authority to a period not less than six years.

(Effective December 7, 1978)

Sec. 16-11-89. Tests on request of customers

Each utility shall, upon written request of a customer and, if he so desires, in his presence, or that of his authorized representative, make without charge a test of the accuracy of the meter in use at his premises, if the meter has not been tested by the company within the period of one year previous to such request and provided the customer shall agree to abide by the results of such test as the basis for any adjustment of disputed charges. Upon such request by a customer, or upon an order for a meter test made by the department, the company shall notify the customer, in writing and within one week of the request for the meter test, that he, or his authorized representative, has the right to be present at the meter test. If said customer, or his authorized representative, desires to be present at the meter test, the customer or his authorized representative shall contact the company within 10 (ten) days of the written notification to arrange to be present at the test. Upon such notification, the company shall schedule a meter test, at a time during the normal operating hours of the company's meter testing facility, which is convenient to both the customer, or his authorized representative, and the company, as soon as possible. A written report of the results of the test shall be furnished the customer.

(Effective May 22, 1992)

Sec. 16-11-90. Test by commission

(1) In accordance with section 16-259 of the general statutes, the commission, upon request, shall cause to be tested for accuracy the water meter at a customer's premises.

(2) A water company, after notification by the commission that a test is to be made pursuant to the provisions of said section 16-259, shall not adjust, disturb or remove the meter in question, except as directed by an authorized representative of the commission.

(Effective October 18, 1966)

Sec. 16-11-91. Standard installation method

Each water utility shall adopt a standard method of meter installation. Such method shall be set out with a written description or drawings to the extent necessary for a clear understanding of the requirements. Copies of approved standard methods shall be made available upon request to prospective customers, contractors or others engaged in the business of placing pipe for water utilization. All meters shall be set in place by the utility or its agent.

(Effective October 18, 1966.)

Sec. 16-11-92. Registration devices

All meters used for metered sales shall have registration devices indicating the volume of water in either cubic feet or United States gallons. Where a constant or multiplier is necessary to convert the meter reading to cubic feet or gallons, the constant shall be indicated upon the face of the meter and on the meter reading sheet or card.

(Effective October 18, 1966.)

Sec. 16-11-93. Charges to customers for devices

No utility shall charge for the installation of any devices for metering service to a customer, except for temporary service where the utility may charge the actual cost of installation and removal of metering devices. The customer shall pay for any special device requested.

(Effective October 18, 1966.)

Sec. 16-11-94. Sanitation standards

(1) Any utility furnishing water service for human consumption or domestic use shall conform to all requirements of the state department of health for construction and operation of its water system as pertains to sanitation and potability of the water.

(2) Each utility shall have representative samples of the water supplied by it tested and analyzed by the state or local departments of health or by a competent chemist and bacteriologist, at intervals sufficient to insure a safe water supply.

(3) If the above-prescribed tests show that the water furnished by the utility is contaminated or otherwise unsafe for human consumption, the utility shall forward a report of such test to the commission or other state agency having correctional jurisdiction without delay, and shall take immediate steps to correct the condition. Reports of corrective action shall then be forwarded to the commission.

(Effective October 18, 1966.)

Sec. 16-11-95. Standard pressure

(1) Each utility shall, subject to the approval of the commission, adopt and maintain a standard pressure in its distribution system at locations to be designated as the point or points of "standard pressure." At one such point a recording pressure gauge shall be maintained in continuous service.

(2) Under normal conditions of use of water the pressure at a customer's service connection shall be not less than 25 p.s.i.g. and not more than 125 p.s.i.g.

(3) Pressure outside the limits specified will not be considered a violation when the variations arise from:

- (A) The action of the elements;
- (B) infrequent fluctuations not exceeding five minutes duration;
- (C) service interruptions;
- (D) causes beyond the control of the utility;

(E) service elevations.

(4) At regular intervals, each utility shall make a survey of sufficient magnitude of pressures in its distribution system to indicate the quality of service being rendered at representative points on its system. Such surveys shall be made during periods of high usage at or near the maximum usage during the year. The pressure charts for these surveys shall show the date and time of beginning and end of the test and the location at which the test was made. Records of these pressure surveys shall be maintained for a period of six years at the utility's principal office in the state and shall be made available to the commission upon request.

(Effective October 18, 1966.)

Sec. 16-11-96. Interruptions in service

(1) Each utility shall give prompt notice to the commission by telephone during regular business hours of all interruptions, except those occurring in the course of routine operations, to, or major impairment of, service for periods of duration of four hours or more occurring on production works, storage works, transmission mains or distribution mains or of accident or damage to portions of the plant which might lead to such interruptions of service. Such notice shall be confirmed in writing within five days.

(2) Each utility shall make all reasonable efforts to prevent interruptions of service and, when such interruptions occur shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its customers and the general public. Where an emergency interruption affects fire protection service, the utility shall immediately notify the fire chief or other responsible local official.

(3) Whenever any utility finds it necessary to schedule an interruption to its service, it shall make all reasonable effort to notify all customers to be affected by the interruption, stating the time and anticipated duration of the interruption. Whenever possible, scheduled interruptions shall be at such hours as will provide least inconvenience to the customer.

(4) Every utility shall maintain records of interruptions for a period of at least two years.

(Effective October 18, 1966.)

Sec. 16-11-97. Restrictions on water use

(1) The utility shall exercise reasonable diligence to furnish a continuous and adequate supply of water to its customers and to avoid any shortage or interruptions of delivery thereof.

(2) If a utility finds that it is necessary to restrict the use of water, it shall notify its customers, and give the commission written notice, before such restriction becomes effective. Such notifications shall specify:

(A) The reason for the restriction;

(B) the nature and extent of the restriction, i.e., on outdoor use of water, use by certain classes of customers, etc.;

(C) the date such restriction is to go into effect;

(D) the probable date of termination of such restriction.

(3) During times of threatened or actual water shortage, the utility shall equitably apportion its available water supply among its customers with due regard to public health and safety.

(Effective October 18, 1966.)

Sec. 16-11-98. Reconstruction not required

Sections 16-11-50 to 16-11-97, inclusive, shall not be constituted to require general reconstruction or re-equipping to conform with the provisions contained therein.
(Effective October 18, 1966)

Standby Power Regulations for Water Companies**Sec. 16-11-99. Definitions**

For purposes of Sections 16-11-99 through 16-11-99d of the regulations:

- (a) "Department" shall mean the Department of Public Utility Control.
 - (b) "Company" shall mean a water company as defined in Section 16-1 of the General Statutes of Connecticut, relying on groundwater as its source of supply.
 - (c) "Average Daily Demand" shall mean the normal water usage of the system as determined for the most representative twenty-four (24) hour period of record not affected by unusual demand conditions such as drought or a significant temporary increase in demand.
 - (d) "Standby Power" shall mean an alternative source of providing power in the event of an electrical outage.
 - (e) "Standby Power Equipment" shall include permanent and portable generators, engine-driven pumps, or other mechanical drive equipment.
 - (f) "Sufficient Standby Power Capacity" shall mean the ability of a company to supply 100% of the average daily demand of its system, or of each division if the company's system is comprised of multiple divisions, and satisfy the requirements of the Connecticut Department of Health Services concerning purity and adequacy of water.
 - (g) "Facility Location" shall include pumping stations, treatment plants, storage tanks, and such other plant where electric power is required to satisfy the design criteria for sufficient standby power capacity, provided in Section 16-11-99 (f) of these regulations.
- (Effective June 22, 1990)

Sec. 16-11-99a. Permanent and portable generators

(a) Each company shall provide permanently installed gasoline, propane-fueled, natural gas or oil-fired standby power equipment at such facility locations as are necessary to provide sufficient standby power capacity. The prior approval of the Connecticut Department of Health Services shall be required for the installation of standby power equipment at a facility location.

(1) Portable generators with sufficient standby power capacity may be considered acceptable as an alternative to an on-site generator. Such portable generators may be used only if there are suitable controls, connections and manual or automatic switches in the pumphouse that are operational as of the effective date of Sections 16-11-99 through 16-11-99d.

(2) Portable generators shall be owned or leased at all times by the company, by a subsidiary of the company, by the parent of the company, or by a corporation with the same parent as the company.

(3) Portable generators must be ready to provide power within four hours of an electrical outage, unless the company has sufficient atmospheric storage to provide safe and adequate service, in conformance with the requirements of the Connecticut Department of Health Services concerning purity and adequacy of water, for up to

twenty-four hours without electric power, but in no event shall standby power not be provided more than twenty-four hours after the occurrence of an electrical outage.

(4) Each company providing standby power through the use of a portable generator or portable generators shall report to the Department the type and capacity of the generator or generators, the location where the generator or generators are regularly stored, and the site or sites where the generator or generators will be employed, no later than the implementation date provided in Section 16-11-99c.

(b) Fuel storage may be above ground or below grade, and shall comply with all pertinent statutes, regulations, and codes, except that a direct buried tank shall not be permitted. A containment area capable of holding the full volume of the fuel tank shall be provided, except for propane and natural gas. The fuel tank shall be properly located to protect the water source from accidental spills. Review by, and the approval of the Connecticut Department of Health Services, shall be required prior to the installation of a fuel storage tank.

(c) Sufficient fuel storage capacity shall be provided for the generation of standby power by permanently installed standby power equipment for at least twenty-four (24) hours, and by portable generators for at least eight (8) hours.

(d) Each company shall test standby power equipment, at the site where the standby power equipment will be employed, at least once in every consecutive thirty (30) day period, under load, for a minimum duration of thirty (30) minutes, and shall maintain a record of the results of such test. Each company shall perform maintenance of its standby power equipment in accordance with the manufacturer's specifications, at least once in every consecutive twelve (12) month period, and shall maintain a record of equipment maintenance. Each company shall submit a report on its standby power equipment testing results and on its equipment maintenance program to the Department, and to the Connecticut Department of Health Services, annually on or before the last day of January following the close of each calendar year.

(e) Each company shall notify the local electric utility of the provisions for standby power made by the company, including but not limited to the operating capacity and characteristics of the generating units. Installation of any standby power equipment shall not be made with the electric utility system without the express written approval of the electric utility.

(Effective June 22, 1990)

Sec. 16-11-99b. Exemptions

(a) The provisions of sections 16-11-99 through 16-11-99d shall not apply to a company, as defined in section 16-11-99 (b) of these regulations, to the extent that the company is able to supply 100% of the average daily demand of its system, or of a division of its system if the company's system is comprised of multiple divisions, and satisfy the requirements of the Connecticut Department of Health Services concerning purity and adequacy of water, by (1) gravity alone, for a consecutive period of twenty-four (24) hours without electric power, or (2) by an interconnection with a system that is able to supply 100% of the average daily demand of both the interconnected and interconnecting systems by gravity alone.

(b) Each company seeking an exemption from these regulations pursuant to subsection (a) of this section shall make a written application for the approval of the Department of such an exemption. Such application shall contain a statement of the facts and supporting documentation sufficient to indicate that the condition or conditions for exemption provided by subsection (a) of this section are met by the company.

(c) The department shall make a determination to approve or to deny the application for an exemption within sixty (60) days of receipt of the application, except that the sixty (60) day requirement may be waived in writing by the company.

(Effective June 22, 1990)

Sec. 16-11-99c. Implementation

(a) Each company shall comply with the requirements of Sections 16-11-99 through 16-11-99d as soon as practical, but no later than three years from the effective date of these regulations. Each company shall provide written notice of compliance to the Department, and to the Connecticut Department of Health Services, including evidence of an interconnection if an exemption from these regulations is requested pursuant to Section 16-11-99b of these regulations.

(b) In the event that a company, which was determined by the Department to be exempt from these regulations pursuant to Section 16-11-99b, ceases to meet the conditions for exemption provided by Section 16-11-99b, such company shall provide written notice of its non-compliance to the Department, and to the Connecticut Department of Health Services, within thirty (30) days of the commencement of non-compliance, and shall provide written notice of compliance with these regulations to the Department, and to the Connecticut Department of Health Services, within one year from the date non-compliance commenced.

(Effective June 22, 1990)

Sec. 16-11-99d. Penalties

Each company that fails to comply with the requirements of Sections 16-11-99 through 16-11-99d shall be subject to the civil penalty provided for in Section 16-41 of the General Statutes.

(Effective June 22, 1990)

Code of Electrical Standards and Specifications

(Effective July 30, 1968)

Part I

General Practices and Operation of Electrical Systems

Sec. 16-11-100. Definitions

As used in sections 16-11-100 to 16-11-152, inclusive, and sections 16-11-236 to 16-11-238, inclusive:

(a) "Utility" means a railroad, electric, telephone or telegraph company, owning, leasing, maintaining, operating, managing or controlling plants or parts of plants or equipment within this state, but shall not include towns, cities, boroughs or any municipal corporation or department thereof, whether separately incorporated or not;

(b) "Municipality" means a town, city, borough or any municipality or department thereof, owning, leasing, maintaining, operating, managing or controlling electric plants or parts of electric plants within this state;

(c) "Electric company" shall not include a municipality, but means every corporation, company, association, joint stock association, partnership, or person, or lessee thereof, owning, leasing, maintaining, operating, managing or controlling poles, wires, conduits or other fixtures along public highways or streets, for the transmission or distribution of electric current for light, heat or power within this state, or engaged in generating electricity to be so transmitted or distributed for such purpose;

(d) "Commission" means the public utilities commission of the state of Connecticut;

(e) "Customer" means any person, partnership, firm, company, corporation, municipality, cooperative, organization, governmental agency or similar organization furnished electric, telephone or telegraph service by a utility;

(f) "Submetering Customer" means any recreational campground, or other facility as approved by the Department, whose electric service is furnished by an electric company and who is authorized to submeter the service to other parties within such facility;

(g) "Submetered Party" means any person, partnership, firm, company, corporation or organization whose electric service is furnished by a submetering customer of an electric company; and

(h) "Average Cost" means—total bill including all adjustments
total kWh hour usage of the submetering customer
for billing period.

(Effective August 21, 1991)

Continuity of Service

Sec. 16-11-101. Record of interruptions

(a) Every electric company shall notify the commission of all electric outages whenever the total customer-outage hours is equal to, or greater than two hundred, provided, outages of less than thirty minutes duration need not be reported unless the loss of the electric supply produces a substantial adverse effect or hardship on the public.

(b) Every electric company shall keep a record for a period of two years of the time of starting and shutting down its generating units, and of the indication of station instruments at sufficiently frequent intervals to show the characteristics of the service, and the details of any significant changes in operating practices.

(c) Every utility shall make all reasonable efforts to prevent interruptions of service, and when such interruptions occur shall endeavor to reestablish service with the shortest possible delay. Whenever the service is necessarily interrupted or curtailed for any significant length of time for the purpose of working on equipment, such work should be done at a time which will cause the least inconvenience to customers, and those customers who will be affected shall be notified in advance to the extent practicable except in cases of emergency.

(d) Notification of electric outages shall be submitted by telephone as soon as may be reasonably practicable on the first working day after the occurrence of each interruption of service.

(e) On or before the fifth working day following the interruption the company shall file with the commission a report in writing of each such electric outage which shall include the date, time, outage area, cause, duration, number of customers affected, the number of customer-outage hours and the steps to be taken to prevent the recurrence of such interruption.

Sec. 16-11-102. Accidents

(a) Every utility shall use every effort to properly warn and protect the public from danger and shall exercise all possible care to reduce the hazard to which employees, customers and others may be subjected by reason of its equipment and facilities.

(b) Every utility shall make available to the commission all records, data, reports and statements of employees and shall assist the commission in promptly examining into the causes of and the circumstances connected with each accident which is the subject of commission investigation.

Customer Relations

Sec. 16-11-103. Rate schedules

(a) Every electric company shall keep on file, in its local office, open to public inspection, copies of all schedules of rates for each class and type of service, forms of agreement and all rules and regulations respecting the relations of the customer and electric company.

(b) Every electric company shall, upon request, furnish a customer the schedule of rates applicable to such customer.

(c) Every electric company shall render service to a customer only at rates provided for in the rate schedules on file with the commission, or as prescribed by order of the commission.

(d) Every new schedule of rates and any change in rates proposed by any electric company pursuant to statute shall be filed with the commission not less than ten days in advance of the date upon which it is to become effective.

(e) Every electric company shall file with the commission any change made in the filed rules and regulations respecting the relations of the customer and the electric company not less than ten days in advance of the date upon which such change is to become effective.

(f) Every electric company shall file with the commission a copy of each contract or agreement for billing of electric service to any customer or other utility, which contract or agreement provides for billing of electric service on a basis other than the company's field rates.

Sec. 16-11-104. Information to customers

(a) Every electric company shall, upon request, give its customers such information as is reasonable, in order that customers may secure safe, adequate and proper service.

(b) Every electric company shall, upon request, render a statement of the past readings of a customer's meter for any period not in excess of fifteen months.

Sec. 16-11-105. Customer bills and deposits

(a) Each utility may require from any customer other than a residential customer as defined in section 16-3-200 (a) (3) or prospective customer other than a prospective residential customer as defined in section 16-3-200 (a) (4) a deposit to guarantee payment of bills. Such deposits shall not exceed an amount equivalent to the estimated maximum bill for ninety days.

(b) Each utility having on hand deposits from customers, or hereafter receiving deposits from customers, shall keep records to show: (i) the name of the customer making the deposit; (ii) the account number or other identification of the premises occupied by the customer when the deposit was made; (iii) the amount and date of making the deposit; (iv) a record of each transaction concerning the deposit.

(c) Each utility shall issue a receipt to every customer from whom a deposit is received and shall provide means whereby the depositor may receive his deposit or balance if such receipt is lost.

(d) Interest on any security deposit received from a customer for each calendar year shall be paid at the rate prescribed in section 16-262j of the general statutes. Interest shall accrue daily and shall be paid or credited to the customer's account annually. Accrued interest shall be paid upon return of the deposit if such return is made at other than the annual payment date for interest.

(e) The deposit shall cease to draw interest on the date it is returned, on the date service is terminated, or on the date notice is sent to the customer's last-known address that the deposit is no longer required.

(f) A record of each unclaimed deposit and the interest thereon shall be maintained until the funds are paid over to the state treasurer under the escheat provisions of the general statutes. During this time the utility shall make a reasonable effort to return the deposit and accrued interest.

(g) Except in the case of residential customers as defined in section 16-3-200 (a) (3) deposits may be retained by the utility as long as required to insure payment of bills.

(h) Upon final discontinuance of service the utility may apply such deposit, including accrued interest, to any amount due from the customer for service. Any balance due to the customer shall be promptly refunded.

(i) Except in the case of residential customers as defined in section 16-3-200 (a) (3) deposits shall be returned, together with accrued interest, where satisfactory credit has been established.

(Effective August 19, 1992; amended August 5, 1997)

Sec. 16-11-106. Customer complaints and service requests

Every electric company shall make prompt and reasonable investigation of each complaint and other service requests made to it, either at its office or in writing by any customer; and it shall keep a record of all substantial complaints which shall show the name and address of the complainant, the date and nature of the complaint and the disposal thereof. Records of such complaints shall be kept for a period of not less than three years.

Sec. 16-11-107. Meter reading and bill form

(a) Meters shall be read each month at regular scheduled intervals, unless special permission is granted by the authority. Bills shall be rendered promptly. Estimated bills may be submitted to non-residential customers when it is impracticable to read meters at regular periods. Efforts shall be made to avoid rendering two consecutive estimated bills. Estimated bills of residential customers shall be rendered in accordance with the provisions of section 16-3-102 of the regulations of Connecticut state agencies.

(b) The meter reading date may be advanced or postponed not more than five days without adjustment of the billing for the period.

(c) Every electric company shall show on all periodically rendered bills, the present and previous meter reading dates, the present meter reading, the kilowatt hours consumed, the rate designation, the fuel charge rate, if any, the amount of the bill, and such other information as will, in conjunction with its published rates, make possible a recomputation of the charges assessed.

(Effective June 7, 1978)

Sec. 16-11-108. Refusal or discontinuance of service

(a) An electric company is not required to furnish service which could operate in parallel with generating equipment connected to the customer's system if such operation is hazardous or may interfere with its own operation or service to other

customers. The electric company may specify conformance with its requirements as to connection and operation as a condition of rendering service under such circumstances.

(b) All wiring and equipment to be connected to the system of an electric company should be installed in accordance with the National Electrical Code currently in effect and an electric company may refuse to connect with any customer's wiring not so installed, or when the certificate of the underwriters or of the local inspection bureau has not been issued or when the wiring is not in accordance with the rules of such company.

(Effective August 19, 1992)

Sec. 16-11-109.

Repealed, August 19, 1992.

Sec. 16-11-110. Adjustment of bills

(a) Whenever the test of a meter reveals it to be fast by more than four per cent, the electric company shall refund to the customer such percentage of the total amount of bills covering the consumption indicated by the meter for the previous six months as the meter was found to be in error (see sec. 16-11-120 (d)) at the time of the test, unless it can be shown from the records of either party that the error has existed for a greater or lesser period, in which case the refund shall cover such actual period.

(b) No refund shall be allowed in any case if the seal on the customer's meter is found to be broken or if there is any other evidence that the meter has been tampered with.

(c) In the event of a nonregistering meter, the customer may be billed on an estimate based on previous usage.

(d) If unmetered electricity is used without permission, the customer may be billed on an estimate of the energy consumed.

Utilization and Control Equipment

Sec. 16-11-111. Company-owned equipment

Electric companies shall service and maintain any company-owned equipment on customers' premises and shall adjust thermostats, clocks, relays or time switches if necessary to provide service in accordance with the rate provisions.

Sec. 16-11-112. Time switches

(a) Time switches owned by the electric company for controlling equipment such as water heaters shall be of such quality as to be accurate under normal operating conditions.

(b) Time switches owned by the electric company for controlling service to customers' facilities shall be inspected or operation observed periodically and adjusted if necessary, and shall also be adjusted upon complaint when found to be in error.

Sec. 16-11-113. Frequency

Alternating current service under normal conditions shall be supplied at sixty cycles per second and under normal conditions the deviation shall not exceed one per cent.

Sec. 16-11-114. Standard voltage

Every electric company shall adopt a standard nominal voltage or standard nominal voltage conforming to modern usage, as may be required by the design if its distribution system for its entire service area or for each of the several areas into which the distribution system or systems may be divided. The voltage maintained at the electric company's service terminals, as installed for each customer, shall be reasonably constant within the limits set forth in section 16-11-115.

Sec. 16-11-115. Voltage variations

(a) For service rendered principally for residential or commercial purposes, the voltage variation shall not exceed an upper limit as low as practically possible, not to exceed a maximum of three per cent above or five percent below standard voltage. Voltage excursions above the upper limit shall not exceed one minute. Providing voltage below the lower limit shall be limited in extent, frequency and duration. Corrective action shall be promptly taken whenever deviations result from other than temporary conditions. Temporary conditions, such as automatic switching to supply interrupted feeders, should not exceed 24 hours where practical. American National Standards Institute (ANSI) Standard c84-1 shall be used to determine the lowest temporary voltage excursions permissible.

(b) For service rendered under contracts principally for power purposes the normal variation in voltage shall not exceed ten per cent above or ten per cent below the standard for any period longer than one minute.

(c) Any electric company may furnish service under conditions of greater voltage variations than that prescribed in the foregoing if specifically provided for by contract filed with the authority.

(d) Where the electric company's distribution facilities supplying customers are reasonably adequate to carry the loads normally imposed, the utility may require that the operating characteristics of utilization equipment shall not cause objectionable voltage fluctuations or other adverse effects.

(e) When an electric company is unable to conform a portion of its distribution system to comply with subsection (a) above, said company may petition the authority for an exemption to said subsection, setting forth the reasons why it is unable to comply. For good cause shown, the authority may grant such exemption under such terms and conditions as it deems reasonable.

(f) Electric companies shall commence implementation of section 16-11-115 (a) upon the effective date of these regulations, and shall have completed said implementation throughout their respective systems or requested appropriate exemptions authorized by section 15-11-115 (e) prior to October 1, 1979.

(Effective March 22, 1990)

Points of Delivery**Sec. 16-11-116. Establishment of delivery point**

(a) Every electric company shall establish each point of delivery as an independent customer and shall calculate the amount of the bill accordingly. Any other arrangement shall require prior approval of the commission.

(b) Service to a room or group of rooms which regularly separate cooking facilities shall be considered as service to a separate apartment for metering and billing purposes.

Sec. 16-11-117. Meter location

Each electric company may prescribe rules for the location of meters. All meters shall be in an accessible location. When located inside a building, the meter shall be installed as near as practicable to the point of entrance of the service, be in a clean, dry, safe place and be supported in such a manner as to be reasonably free from damage. When located outside a building, meters shall be installed in a practicable location and supported in such a manner as to be reasonably free from damage.

Metering**Sec. 16-11-118. Measurement**

(a) All electricity sold to customers shall be measured by commercially acceptable measuring devices owned and maintained by the electric company, except where it is impracticable to measure certain loads.

(b) Every reasonable effort shall be made to measure at one point all the electrical quantities necessary for billing a customer under a given rate.

(c) Metering facilities located where energy may flow in either direction and where the quantities measured are used for billing purposes shall consist of meters equipped with ratchets or other devices to prevent reverse registration and be so connected as to record energy flow in each direction.

Sec. 16-11-119. Multipliers and test constants

(a) Meters operating in conjunction with instrument transformers shall have the multiplier plainly marked on the meters or otherwise suitably marked.

(b) The watt-hour constant for the meter itself shall be on all watt-hour meters.

Sec. 16-11-120. Accuracy of watt-hour meters

(a) A watt-hour meter that has an incorrect register constant, test constant, gear ratio to dial train, or which creeps (that is, registers on no load), shall not be placed in service or allowed to remain in service without adjustment and correction after knowledge of the defect.

(b) The average meter error for a watt-hour meter shall not be in excess of one per cent at unity power factor and, in the case of polyphase meters, the elements shall be in balance within two per cent at one hundred per cent load and unity power factor. When tested in the shop, the error of polyphase meters shall not be in excess of two per cent at one hundred per cent load and fifty per cent lagging power factor.

(c) Whenever a test of a watt-hour meter shows the average error to be in excess of one per cent, or, in the case of polyphase meter, the elements are not balanced within two per cent at one hundred per cent load and unity power factor, the meter shall be removed from service or adjusted.

(d) For the purpose of pre-installation, installation, complaint, periodic or evaluation tests, the average error shall be determined as follows: (1) The error at light load, at approximately ten per cent of the rated current (test amperes) specified for the meter; (2) the error at heavy load, at approximately one hundred per cent of the rated current (test amperes) specified for the meter; (3) the average error of the meter shall then be computed by taking one-fifth of the algebraic sum of the error at light load and four times the error at heavy load.

Sec. 16-11-121. Accuracy of demand meters

All demand meters shall be accurate to within plus or minus two per cent of full scale. The timing element shall be accurate to within plus or minus two percent.

Sec. 16-11-122. Instrument transformers

(a) Meters used in conjunction with instrument transformers shall be adjusted so that the overall accuracies will come within the limits specified in subsections (a), (b) and (c) of section 16-11-120 and section 16-11-121.

(b) Meters installed with instrument transformers may be tested independently of such transformers, provided the electric company applies the corrections indicated by a test certificate exhibiting the characteristics of the type of transformers used and guaranteeing the limits of deviation of individual transformers from the average characteristics of the type; otherwise the meters and transformers shall be verified as a measuring unit.

Meter Testing—Facilities**Sec. 16-11-123. Laboratories**

Each electric company shall maintain adequate laboratories, meter testing shops, secondary standards, instruments and facilities to determine the accuracy of meters and measuring devices generally used by the electric company in rendering service. An electric company may, however, have all or part of the required tests made or its portable testing equipment checked by another electric company or agency approved by the commission as having adequate testing equipment.

Sec. 16-11-124. Equipment required

Each electric company shall maintain (1) one or more portable rotating standards of capacity and voltage range adequate to test all watthour meters used by the electric company; (2) portable indicating instruments of such various types as are required to determine the accuracy of instruments used by the electric company and these instruments shall be checked periodically; (3) one or more master standards to check rotating standards used for testing watthour meters. Each master standard shall be kept permanently at one location and not used for field work.

Sec. 16-11-125. Test standards

(a) Each electric company, upon notification, shall submit to the commission's standards laboratory for checking for accuracy, one of its master rotating standards at least once in each year.

(b) Master watthour meter standards shall not be used to check or calibrate working standards unless the master standard has been checked, and adjusted if necessary, within the preceding twelve months. Each master standard watthour meter shall have a calibration record available and a history card.

(c) Portable indicating instruments shall be checked, in a laboratory approved by the commission, and adjusted if necessary, at least once a year. A historical record shall be kept of such checks and adjustments.

(d) All working rotating standards when regularly used shall be compared with a master standard at frequent intervals. Standards infrequently used shall be compared with a master standard before they are used.

(e) Working rotating standards shall be adjusted, when necessary, and a record shall be kept for each instrument.

Meter Tests—Special

Sec. 16-11-126. Customer request

Every electric company shall, upon written request of a customer and, if he so desires, in his presence or that of his authorized representative, make a test of the accuracy of the meter in use at his premises; provided the meter has not been verified by the electric company within the period of one year previous to such request, and provided the customer shall agree to abide by the results of such test as the basis for any adjustment of disputed charges. Upon request by a customer, or upon an order for a meter test made by the department, the company shall notify the customer, in writing and within one week of the request for the meter test, that he, or his authorized representative, has the right to be present at the meter test. If said customer, or his authorized representative, desires to be present at the meter test, the customer or his authorized representative shall contact the company within 10 (ten) days of the written notification to arrange to be present at the test. Upon such notification, the company shall schedule a meter test, at a time during the normal operating hours of the company, which is convenient to both the customer, or his authorized representative, and the company, as soon as possible. A written report of the results of the test shall be furnished the customer by the electric company.

(Effective May 22, 1992)

Sec. 16-11-127. Commission directive

(a) In accordance with section 16-259 of the general statutes the commission, upon request, will cause to be tested for accuracy the electric meter on a customer's premises.

(b) An electric company, after notification by the commission that a test is to be made pursuant to the provisions of said section 16-259, shall not adjust, disturb or remove the meter in question, except as directed by the authorized representative of the commission.

Meter Tests—Regular

Sec. 16-11-128. Location of tests

Each electric company shall conduct all required tests of meters at the permanent location of the meter on the customer's premises except that the commission may authorize that such tests be performed in the company's shop or in a mobile unit, following an inspection of such facilities by the commission's engineering staff to insure their adequacy to perform such tests.

Sec. 16-11-129. Installation test

Each electric company shall have each watt-hour meter checked for accuracy within sixty days of its installation, except that this installation test shall not be required for meters of verified accuracy.

Sec. 16-11-130. Periodic tests

All wathour meters installed on customers' premises shall be tested periodically in conformity with the most recent ANSI Code. Meter test data shall be summarized and furnished annually to the Department upon Department prescribed forms. The Department may permit an electric company which maintains a high degree of meter accuracy, as indicated by its periodic test records, to extend the period between

tests or to adopt a practice of selective testing or of testing a statistically adequate sample of all meters on lines.

(Effective August 28, 1990)

Sec. 16-11-131. Meter records

Meter records shall be kept and systematically arranged, indicating the date of purchase of each meter, its size or capacity rating and the date and place of the latest installation or removal. These records shall be preserved for the life of the meter.

Sec. 16-11-132. Meter test records

Meter test records shall be preserved of every meter test, indicating the information necessary for identifying the meter, the reading of the meter just prior to the test, the computed accuracy of registration both as found and as left, together with the data taken at the time of the test to permit the convenient checking of the methods employed and of the computations leading to the result. These records shall be preserved for two years or until a new periodic test record has been obtained.

Sec. 16-11-133. Types of meters

Every electric company shall report to the commission each year the quantity of each make and type of meter in service. This report may be included with the commission prescribed forms pertaining to periodic tests as required by section 16-11-130. Whenever any new make or type of meter is placed in service, a prompt report and description shall be furnished to the commission.

Standard Practices

Sec. 16-11-134. Acceptable codes

The commission recognizes the provisions of the National Electrical Safety Code and the National Electrical Code in effect from time to time as minimum requirements and recommends the same as a guide to good practice for the installation, maintenance and operation of electrical facilities in all cases not governed by specific commission orders and the provisions of this code as contained herein.

Sec. 16-11-135. Safety manuals

Every utility within the purview of this order shall adopt comprehensive instructions for the safety of employees, file a copy thereof with the commission, and supply a copy thereof to each employee assigned to electrical work in generating stations, substations and overhead lines or underground lines, obtaining a receipt therefor; and before requiring such employee to perform electrical work, the utility shall be satisfied that he has been properly informed of safe practices and is cognizant of the hazards involved in the work to be performed.

Transmission Lines

Sec. 16-11-136. Coordination by utilities

Construction involving electric lines, where nominal phase to ground voltages are less than twenty thousand volts, may proceed without notification to the commission, provided reasonable advance notice is given to the utilities or municipalities involved, advance planning and interchange of information is coordinated, and agreement regarding proposed construction and operating characteristics is obtained from other utilities or municipalities involved. This section is not intended to preclude the

participating companies from developing broad areas of approval, where coordination can be safely developed for specific types of facilities either in the power or telephone plant. Nothing in this section is intended to alter the requirements of the general statutes. For the purposes of this section construction shall mean the erection and installation of the physical facilities excluding the planning and other work preliminary thereto.

Sec. 16-11-137. Petition for commission approval—electric lines

No electric line, the nominal voltage of which is to exceed twenty thousand volts to ground, shall be constructed without prior commission approval of the manner and method of construction. A petition for such approval shall be submitted to the commission at least thirty days before it is planned to construct such line, and said petition shall state the following: (1) The purpose for which the line is to be built; (2) the local names of the points between which the line is to be built, and the towns through which it will pass; (3) the length of the line; (4) the electrical description of the line, indicating voltage, number of phases, frequency and number of conductors; (5) the general type of construction to be employed; such as, wood pole, steel tower, wood crossarms, grounded metal crossarms, pin or suspension insulators, underground ducts, direct burial, etc, (6) the character of materials to be employed; namely, pole size and class, insulator rating, conductor, material and size (solid or stranded), cable (insulation and sheathing); (7) a description of lightning protection and grounding of neutral, if any; (8) the special feature employed at points of crossing over or under circuits and facilities of other utilities and municipalities; (9) the titles of specifications and standards with which it is intended that the construction shall conform, (10) the names of all utilities and municipalities whose exposed circuits, tracks or other facilities are crossed over or under, paralleled by or in conflict with the overhead line in question. The names of all utilities and municipalities whose underground circuits, hacks or other facilities are crossed over or under, or are paralleled by and adjacent to the underground line in question; (11) the dates upon which it is planned to start construction and to energize the line; (12) the petition shall be accompanied by a drawing showing the typical arrangement and spacing of conductors on poles or towers and the amount of sag of conductors and clearances from the ground in a typical span; (13) the petition for underground construction shall be accompanied by a drawing showing the approximate location, depth and clearances of all known underground circuits, tracks and other underground facilities of municipalities and other utilities crossed over or under by or adjacent to the underground line in question; (14) commission approval is also to be obtained prior to energizing line construction contemplated by this section.

Sec. 16-11-138. Petition for commission approval—communication lines

Where communication and electric lines are both aerial or both underground, no communication line shall be extended so as to cross, conflict or establish joint use with an electric line over twenty thousand nominal volts to ground without prior commission approval. A petition for such approval shall be submitted to the commission and said petition shall state the following: (1) The purpose for which the line is to be built, (2) the towns in which it is located; (3) sufficient information to identify the electric line involved, (4) special features employed at points of crossing; (5) the names of all other utilities and municipalities whose circuits are involved in the proposed crossing, conflict or joint use.

Sec. 16-11-139. Supporting data

A petition required by section 16-11-137 or 16-11-138 shall be accompanied by the following: (1) A map indicating the route of the line and the location of the circuits. The map shall show the points at which such electric lines will cross over or under public highways, and the circuits, tracks and other facilities of municipalities and other utilities; (2) copies of letters from each railroad, municipality or other utility affected, stating that it has been notified of the details of the proposed line and that it offers no objection to the method or manner of construction.

Sec. 16-11-140. Exemptions from commission approval

Construction of a communication line under existing electric lines does not require commission approval outlined in section 16-11-138 when the conductors of such communication line consist of not more than one insulated twisted pair of parallel lay conductors, or where two or more such insulated conductors are involved consisting of service drops not grouped together in a single run.

PROPERTY IDENTIFICATION

Sec. 16-11-141. Signs

Each group of buildings or structures used in the generation, transformation or distribution of electrical energy shall be provided with such signs as will definitely designate the name of the utility owning or having the custody and maintenance of the same.

Sec. 16-11-142. Markers

Each pole, tower, or other structure used for supporting electrical conductors, shall be marked with a symbol indicating the utility or municipality so owning or having the custody and maintenance thereof, and a number or letter or both; provided such marking shall not be required for ornamental standards or for more than every fifth pole upon a line of poles in a rural district; and provided the mark of no utility other than the one owning or having custody shall be required on jointly used poles.

Sec. 16-11-143. Methods of application

Such markings of poles may be made with paint, brand or with plates or individual characters of soft metal or other suitable material so as to be easily read from the ground.

SEPARATION OF POLE LINES

Sec. 16-11-144. Sufficiency

The separation of two parallel pole lines one of which carries supply conductors and the other signal conductors shall, where practicable, be sufficient so that neither conflicts with the other and, if within conflicting distance, they shall be separated as far as practicable.

Sec. 16-11-145. Considerations determining method

If separation beyond conflicting distance is impracticable, the choice as affecting the relative safety attainable at reasonable cost between a joint pole line and separate conflicting lines depends on the voltage of the supply circuits, the total number and weight of conductors, the tree conditions, the number and location of branches and service drops and the availability of right of way.

INDUCTION AND CORROSION

Sec. 16-11-146. Use of coordinated methods

All supply and signal circuits with their associated apparatus shall be constructed, operated and maintained in conformity with generally coordinated methods with due regard to prevention of interference with the rendering of either service by adequately limiting in the most convenient and economical manner those characteristics of supply circuits which determine the character and intensity of the inductive field, or those characteristics of signal circuits which determine the extent to which the service they are designed to render is affected by a given inductive field or both.

Sec. 16-11-147. Special measures

Where such generally coordinated methods are insufficient in any specific case, special adequate coordinated measures determined by cooperative consideration shall be applied to the circuits of either or both kinds, to most conveniently and economically prevent the interference.

Sec. 16-11-148. Coordination by parties affected

To facilitate coordination, each party, in advance of any construction or change in the construction or operating conditions of its facilities, shall consult with other parties between whose facilities and its own coordinated measures may now or later be necessary.

Sec. 16-11-149. Coordination on corrosion

All utilities and municipalities shall cooperate with each other and use all reasonable means to work out general coordinated methods applicable to corrosion problems or the protection of other utilities and municipalities.

Live Line Maintenance

Sec. 16-11-150.

Repealed, March 17, 1993.

Ownership Rights and Compensation

Sec. 16-11-151. Attachments—consent thereto

Every utility or municipality shall have a clearly defined right of occupancy and use of poles. Attachments shall not be made to poles of another utility or municipality until consent has first been secured from such utility or municipality or an order issued by the commission under section 16-18 of the general statutes.

Sec. 16-11-152. Compensation for attachments

The right of a utility or municipality to occupy poles of another utility or municipality without proper compensation is not contemplated by these rules.

Joint Pole Construction

Sec. 16-11-153.

Repealed, April 22, 1986.

Reconstruction

Sec. 16-11-154.

Repealed, April 22, 1986.

Part II

Construction of Jointly Used Wood Pole Lines

Secs. 16-11-155—16-11-156.

Repealed, April 22, 1986.

Related Levels

Secs. 16-11-157—16-11-158.

Repealed, April 22, 1986.

Vertical Clearance Above Ground

Secs. 16-11-159—16-11-161.

Repealed, April 22, 1986.

Vertical Separations

Secs. 16-11-162—16-11-168.

Repealed, April 22, 1986.

Horizontal Separations

Sec. 16-11-169.

Repealed, April 22, 1986.

Vertical Runs—General

Secs. 16-11-170—16-11-171.

Repealed, April 22, 1986.

Vertical Runs on Pole Surface

Secs. 16-11-172—16-11-177.

Repealed, April 22, 1986.

Vertical Runs Not on Pole Surface

Secs. 16-11-178—16-11-179.

Repealed, April 22, 1986.

Climbing Space

Sec. 16-11-180.

Repealed, April 22, 1986.

Street Lamps

Secs. 16-11-181—16-11-182.

Repealed, April 22, 1986.

Guy Clearances

Secs. 16-11-183—16-11-186.

Repealed, April 22, 1986.

Guy Insulators

Secs. 16-11-187—16-11-194.

Repealed, April 22, 1986.

Line Insulators

Secs. 16-11-195—16-11-197.

Repealed, April 22, 1986.

Strength Requirements—General

Secs. 16-11-198—16-11-206.

Repealed, April 22, 1986.

Strength of Poles

Secs. 16-11-207—16-11-213.

Repealed, April 22, 1986.

Strength of Crossarms

Secs. 16-11-214—16-11-218.

Repealed, April 22, 1986.

Pins and Conductor Fastenings

Secs. 16-11-219—16-11-221.

Repealed, April 22, 1986.

Conductors

Secs. 16-11-222—16-11-225.

Repealed, April 22, 1986.

Messengers

Sec. 16-11-226.

Repealed, April 22, 1986.

Cables

Secs. 16-11-227—16-11-228.

Repealed, April 22, 1986.

Miscellaneous

Secs. 16-11-229—16-11-235.

Repealed, April 22, 1986.

Submetering of Electrical Service

Sec. 16-11-236. Calculating submetered party's cost

(a) Every submetering customer shall calculate, average cost, per kilowatthour, for each bill received from the electric company, and in turn, shall charge each submetered party the same average cost for each kilowatthour used by the submetered party. When the meter reading dates of the submetering customer differ from those of the submetered party, the average cost of each of the submetering customer's billing periods will be applied to the submetered party, in proportion to the number of days that the submetered party used energy in those periods.

(b) Every submetering customer shall indicate, on written bills to a submetered party, the present and immediately preceding submeter reading dates, the present and immediately preceding submeter readings, the kilowatthours consumed by the submetered party, the submetering customer's average cost for all relevant billing periods, the charge to the submetered party, and any other information that will permit the submetered party to verify the charges assessed.

(c) Submetering customers shall take appropriate steps to insure that the service delivered to a submetered party is delivered at a voltage that is in conformity with the most recent standard for service voltage issued by the American National Standards Institute ("ANSI"), or within one percent of that received by the submetering customer.

(d) Every submetering customer shall, upon request of a submetered party, render a statement of past electric company meter readings, total electric company charges applicable to the submetering customer, submeter readings and charges applicable to the submetered party, for a period of at least twelve months.

(e) Every submetering customer shall read the submeters each month, at regularly scheduled intervals. The meter reading date should not be advanced or postponed more than five days from the normal reading date and to the extent practical, shall coincide with the meter reading of the electric company.

(f) In addition to the monthly readings, a submetering customer shall read the submeter for a submetered party, at the time of initiation of service and termination of service to the submetered party. Where a final bill is to be rendered to a submetered party upon the termination of service the submetering customer shall utilize the last current average kWh cost available for that portion of the bill for which there is no current bill available to the submetering customer.

(Effective August 21, 1991)

Sec. 16-11-237. Installation and maintenance of submeters

(a) Submeters and any submetering equipment shall be installed by the submetering customer in accordance with the provisions of all applicable codes and standards, including the National Electrical Safety Code, the National Electrical Code, and state and local electric codes.

(b) Submeters shall be clearly and permanently labeled with the owner's identity, in order that submeters are clearly distinguishable from the electric company's meters. In addition, each submeter shall be permanently marked to indicate the portion of the premises and all facilities it serves. Submeters shall be securely

mounted in a manner as to be reasonably free from damage. All submeters shall be visually accessible to submetered parties or access shall be provided upon request. Submeters located indoors shall be mounted in a clean, dry and safe location. If located outdoors, all equipment associated with the submeter shall be suitable for outdoor installation or otherwise weatherproofed and the meters shall be mounted at a height of not less than 24" above ground level.

(c) All electricity sold to submetered parties shall be measured by commercially acceptable meters, owned and maintained by the submetering customer.

(Effective August 21, 1991)

Sec. 16-11-238. Meter test and record retention

(a) All watt-hour meters installed and owned by a submetering customer shall be tested periodically in conformity with the most recent ANSI Code for Electricity Metering. Meter test data shall be furnished to the Department upon request.

(b) Meter records shall be kept by the submetering customer and shall include the identification of each meter, the date and place of its latest installation or removal and the date and results of the most current meter test. These records shall be maintained for the previous two years.

(c) Every submetering customer shall provide to the Department, upon request data or records as may be deemed necessary by the Department related to the submetering and furnishing of electric service to submetered parties.

(Effective August 21, 1991)

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Requirements of Public Service Companies and Electric Suppliers To Report Accidents

Sec. 16-16-1. Definitions

(a) As used in sections 16-16-1 to 16-16-4, inclusive:

- (1) "Department" means the Department of Public Utility Control or its successor;
- (2) "Gas company" means "gas company" as defined in section 16-1 of the Connecticut General Statutes;
- (3) "Electric supplier" means "electric supplier" as defined in section 16-1 of the Connecticut General Statutes;
- (4) "Public service company" means "public service company" as defined in section 16-1 of the Connecticut General Statutes;
- (5) "Utility" means any public service company or electric supplier; and
- (6) "Water company" means "water company" as defined in section 16-1 of the Connecticut General Statutes.

(Adopted effective July 7, 2010)

Sec. 16-16-2. Types of accidents

(a) **Major accidents.** The following types of accidents are considered major accidents:

(1) Any fatality which was or may have been connected with or due to a utility's operation, property or facility, except vehicular accidents that would be considered minor accidents pursuant to subsection (b)(3) of this section;

(2) A shutdown of a water treatment facility which supplies water to 50 or more customers, for any period of time, for any reason other than routine maintenance;

(3) Any injury which was or may have been connected with or due to electrical contacts with a utility's property or facility, requiring in-patient hospitalization of any person;

(4) Any accident or injury which was or may have been connected with or due to a utility's storage or handling of hazardous chemicals, as defined in 40 CFR 262.102, which requires in-patient hospitalization of any person or presents a threat to public health and safety;

(5) Any water main break which impacts 50 or more customers, or interrupts service for more than four hours, or affects any critical customers identified in the affected water company's emergency plan, such as hospitals and public buildings;

(6) Any event that results in an emergency shutdown of a liquefied natural gas facility;

(7) Any release of gas or liquefied natural gas from a utility's pipeline or other facility that causes injury to any person requiring in-patient hospitalization or property damage, including cost of total gas loss, of \$50,000 or more;

(8) Any structure fires or other cases of damage to a utility's facility or customer equipment where the public might have been exposed to primary voltage;

(9) Any explosions, major fires or other cases of serious damage at any utility facility, including pipelines, manholes, vaults and water tanks;

(10) Any situations where energized downed wires trap members of the public in vehicles; and

(11) Any accident that is significant, in the judgment of the utility, even if the accident does not meet the criteria of subdivisions (1) to (10), inclusive, of this subsection.

(b) **Minor accidents.** The following types of accidents are considered minor accidents:

(1) Any structure fires or other cases of damage to a utility's facility or customer equipment, which were or may have been connected with or due to a utility's operation or equipment, where the public was not exposed to primary voltage;

(2) Any accidents to employees or to members of the public which were or may have been connected with or due to a utility's operation, property or facility, including traffic accidents, resulting in property damage of \$50,000 or more, or in personal injury, whether or not hospitalization is required, that are not considered a major accident pursuant to subsection (a) of this section; and

(3) Any fatalities associated with any vehicular accident involving a utility's poles or other facilities but not involving the utility's employees or operation.

(Adopted effective July 7, 2010)

Sec. 16-16-3. Reporting requirements

(a) **Immediate report.** Each affected utility shall notify the Department of any major accident that occurred in Connecticut or affected Connecticut residents as soon as possible but no later than 24 hours after the occurrence or the utility's discovery of the accident. Such notification shall be electronically filed through the Department's Web Filing System, but may be made by telephone to the Department's main number (860) 827-1553, or by fax to (860) 827-2822, if the filer is unable to file the notification electronically.

(b) **Five-day report.** No later than five business days after the occurrence or discovery of a major accident that occurred in Connecticut or affected Connecticut residents, each affected utility shall submit a written report of the accident to the Department. Such report shall be electronically filed through the Department's Web Filing System; however, if the filer is unable to file the report electronically, such report may be submitted to the Department's Executive Secretary by regular U.S. mail or by fax. When additional relevant information is obtained or becomes available after a report has been submitted under this subsection, the utility shall file supplemental reports to the Department as deemed necessary with a clear reference by date and subject to the original report.

(c) **Monthly report.** No later than the tenth day of each month, each utility shall file with the Department a monthly accident report. Such report shall be in writing and shall list, in summary form, all minor and major accidents that occurred in Connecticut or affected Connecticut residents in the previous calendar month. All monthly reports shall be electronically filed through the Department's Web Filing System; however, if the filer is unable to file the monthly report electronically, it may be submitted to the Department's Executive Secretary by regular U.S. mail or by fax.

(d) Additional reporting requirements for gas companies.

(1) In addition to the reporting requirements contained in subsections (a) to (c), inclusive, of this section, each affected gas company shall notify the Department's Gas Pipeline Safety Unit of any major accident that occurred in Connecticut or affected Connecticut residents as soon as possible but no later than one hour after the occurrence or the gas company's discovery of the accident. Such notification shall be made in accordance with any existing procedures established by the Department's Gas Pipeline Safety Unit.

(2) The provisions of sections 16-16-1 to 16-16-3, inclusive, of the Regulations of Connecticut State Agencies are in addition to, and not in place of, any reporting or notification requirements prescribed in any federal laws or other state statutes or regulations that govern natural gas, flammable gas, liquefied natural gas or other gas that is toxic or corrosive. A gas company's compliance with any such federal

laws or other state statutes or regulations shall not be a substitute for compliance with sections 16-16-1 to 16-16-4, inclusive, of the Regulations of Connecticut State Agencies.

(e) **Required information.** Each report required under this section shall include the following information, to the extent known, for each accident:

(1) Identification of persons making the report or notification, including name and contact information such as telephone numbers and business and email address;

(2) Names of all affected utilities;

(3) The exact time and location of the accident;

(4) A description of the accident and extent of injuries, including total number of fatalities, if any;

(5) Total number of injured employees and any available information about the injured employees such as job title, age and contact information;

(6) Total number of injured persons other than the utility's employees, with any available information such as name, age and contact information;

(7) All known significant facts or information relevant to the cause of the accident or the extent of the injuries or damages;

(8) Actions already taken by the utility at the time of the report, and immediate actions the utility plans to undertake with regard to the accident; and

(9) Corrective actions, if any, taken or planned by the utility to mitigate future similar occurrences.

(f) **Exceptions.** Notwithstanding subsections (a) through (d) of this section, a utility is not required to report the following types of accidents:

(1) Non-fatal injuries associated with vehicular accidents involving a utility's poles or other facilities but not involving the utility's employees or operation;

(2) Minor personal injuries on utility property unrelated to utility system operations, such as paper cuts, bee stings, muscle strains or routine slip and fall type events;

(3) Contacts with secondary electrical lines, where no injury is reported or known to have occurred, such as a tingle felt by a homeowner painting a house and touching a service wire;

(4) Structure fires where a utility's only involvement is disconnection of service; and

(5) Downed or fallen wires that do not directly affect or threaten the safety of any members of the public.

(Adopted effective July 7, 2010)

Sec. 16-16-4. Retention of records

Each public service company and electric supplier shall maintain records meeting the requirements of sections 16-16-1 to 16-16-3, inclusive, of the Connecticut State Agencies for a minimum of ten years. Each utility shall, when requested, make such records available for inspection by the Department.

(Adopted effective July 7, 2010)

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Promotion or Marketing of Efficient Gas or Electric Equipment

Sec. 16-19d-1. General rule

These rules set forth the procedure to be followed by a gas or electric company seeking a determination of eligibility for the recovery of costs incurred for the promotion or marketing of efficient gas and electric equipment. The recovery of costs determined to be reasonably incurred for such approved promotion or marketing program will be established at the time of the company's next rate application filed pursuant to section 16-19 of the General Statutes.

(Effective May 22, 1992)

Sec. 16-19d-2. Application for determination of eligibility

(a) (1) Each gas or electric company that seeks to recover costs under section 16-19d (b) of the General Statutes shall file an application with the Department of Public Utility Control requesting a determination of eligibility for recovery of the reasonable expenditures incurred in the promotion or marketing of efficient gas and electric equipment. A company may request that the filing be included as part of a company's rate proceeding under section 16-19 (a) of the General Statutes provided that, in order to make such request, the company shall waive the one hundred and twenty day time requirement set forth in section 16-19d-3 (a).

(2) No such application shall be required if a cost is to be incurred after having been included in an electric company's conservation and load management plan reviewed and approved by the Department pursuant to section 16-243a-3 (d), or a gas company's conservation and load management plan reviewed and approved by the Department pursuant to section 16a-49-3 (a).

(b) Each application shall contain sufficient testimony and data documenting all of the following:

(1) the equipment to be promoted and/or marketed is (A) efficient and (B) the use of such equipment and the proposed amount to be budgeted for promotion and marketing would provide net economic benefit to the company's customers. In support of the net economic benefit criterion, the company shall provide specific data demonstrating:

(i) the ratepayers or customer group(s) targeted by the proposed promotion or marketing;

(ii) the anticipated impact of such promotional or marketing program on the electric or gas company's demand and energy requirements;

(iii) the projected incremental impact on rates and bills to the company's customers, including non-participants in the promoted measures;

(2) that the use and promotion of the equipment is consistent with State conservation and energy policy;

(3) that the use and promotion of the equipment is consistent with integrated resource planning principles and with other demand or supply options as identified in the company's least cost integrated resource plan;

(4) that the promotion or marketing of the equipment does not have as its primary purpose the promotion of one fuel over another. In support, the company shall provide documentation establishing to the satisfaction of the Department that such promotion or marketing is designed primarily to promote the replacement of existing equipment with more energy efficient equipment, or to install efficient equipment in new construction.

(Effective May 22, 1992)

Sec. 16-19d-3. Administrative proceeding

(a) The Department of Public Utility Control shall approve, deny or modify, in whole or in part, an application for determination that the promotion or marketing of particular equipment meets the eligibility criteria for cost recovery within one hundred twenty days, if practicable, from the date of such application.

(b) In making its determination, the Department shall take into account the requirements of subdivision (4) of subsection (b) of Section 16-19d of the General Statutes. In determining whether the equipment is efficient, the Department shall consider the Energy Efficient Rating or other accepted national standard for equivalent equipment using the same fuel at the time of the application, or other appropriate levels or standards for measuring efficiency of the equipment.

(c) A copy of each application shall be submitted by the applicant to each electric and gas company operating in the state, the Office of Consumer Counsel and the Policy Development and Planning Division of the Office of Policy and Management or their successor agencies. Each application shall contain certification of compliance with this section.

(d) The Department shall allow the opportunity for each electric and gas company to file written comments on each application, and shall designate any person deemed by it to be affected by the application to participate in the Department's review as an intervenor in accordance with the Department's rules of practice.

(e) Each company making application shall be responsible for all reasonable and proper expenses required by the Department and the Office of Consumer Counsel related to such application, including, but not limited to, the costs associated with analysis, testing, evaluation and testimony at a public hearing or other proceeding and shall pay such costs as directed by the Department.

(Effective May 22, 1992)

Sec. 16-19d-4. Non-recovery of expenses for other advertising

(a) The cost of political, institutional or promotional advertising as defined in section 16-19d (a) of the General Statutes of any gas or electric company and the cost of political or institutional advertising of any telephone company shall not be deemed to be an operating expense in any rate schedule proceeding held pursuant to section 16-19.

(b) Political, institutional or promotional advertising does not include reasonable expenditures for the following:

- (1) the publication or distribution of existing or proposed tariffs or rate schedules;
- (2) notices required by law or regulation;
- (3) public information regarding service interruptions, safety measures, emergency conditions, employment opportunities or the means by which customers can conserve energy or make efficient and economical use of service, or

(4) the promotion or marketing of efficient gas and electric equipment which the Department of Public Utility Control has determined to be eligible for cost recovery pursuant to sections 16-19d-2 and 16-19d-3 of these regulations.

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**Procedures for the Projected Availability of all Generating Facilities
Over 100 MW by Electric Public Service Companies**

Sec. 16-19cc-1. Filing requirements regarding generating units over 100 MW

(a) On or before April first and October first, semi-annually, each electric public service company as defined by section 16-1 of the general statutes, which owns a five per cent or larger share of a nuclear generating unit, shall file with the Department of Public Utility Control and the Office of the Consumer Counsel a report detailing the projected availability of all generating units over one hundred megawatts of capacity which are dispatched by the New England Power Pool. Such report shall include each unit's projected availability, maintenance, refueling and shutdown schedules for the next twelve month period.

With respect to units that are neither owned nor operated by a Connecticut electric public service company, one company may file the requested information on behalf of all Connecticut electric service companies.

(b) On or before April 1, annually, each electric public service company required to file a report pursuant to subsection (a) shall also file information on historic annual availability for the last five years of each unit over 100 megawatts which is dispatched by NEPOOL.

(Effective May 17, 1989)

Sec. 16-19cc-2. Quarterly review of nuclear generating capacity

(a) The Department, in its quarterly fossil fuel adjustment hearing under the provisions of section 16-19b of the general statutes for electric public service companies, shall review the nuclear generating capacity of each company, and, where fifty per cent or more of a company's nuclear generating capacity has been out of service for the calendar quarter being reviewed, shall make a determination as to whether or not the company has fulfilled its public service responsibilities under titles 16 and 16a of the General Statutes. This determination shall be in addition to any other reviews and determinations the Authority may make regarding nuclear outages.

(b) Upon a determination that the electric public service company has not fulfilled its public service responsibilities as a result of outages of its nuclear generating capacity and the cause of such outages was not beyond the control of the plant operator of the unit for which replacement power costs are sought, the Department may prohibit the electric public service company from recovering through its rates or charges, directly or indirectly, all or any portion of its additional replacement power costs associated with the purchase of electricity from other sources through its rates or charges. The Department shall utilize adjustments to base rates, and/or the fossil fuel adjustment clause and/or the generation utilization adjustment clause to adjust for the replacement power costs of outage(s).

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**Adopt Classification of Classes I, II and III Motor
Carriers of Passengers According to ICC's
Uniform System of Accounts**

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UNIFORM SYSTEM OF ACCOUNTS**Sec. 16-27-1. Private sewerage utilities****Part 1****DEFINITIONS**

When used in this system of accounts:

1. "Accounts" means the accounts prescribed in this system of accounts.
2. "Amortization" means the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.
3. "Book cost" means the amount at which property is recorded in these accounts without deduction of related provisions for accrued depreciation, amortization or for other purposes.
4. "Commission," unless otherwise indicated by the context, means the commission prescribing this system of accounts.
5. "Cost" means the amount of money actually paid for property or services. When the consideration given is other than each, the value of such consideration shall be determined on a cash basis.
6. "Cost of removal" means the cost of demolishing, dismantling, tearing down or otherwise removing utility plant, including the cost of transportation and handling incidental thereto.
7. "Depreciation," as applied to depreciable utility plant, means the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in current operation and against which the utility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand and requirements of public authorities.
8. "Investment advances" means advances, represented by notes or by book accounts only, with respect to which it is mutually agreed or intended between the creditor and debtor that they shall be settled by the issuance of securities or shall not be subject to current settlement.
9. "Minor items of property" means the associated parts or items of which retirement units are composed.
10. "Net salvage value" means the salvage value of property retired less the cost of removal.
11. "Original cost," as applied to utility plant, means the cost of such property to the person first devoting it to public service.
12. "Property retired," as applied to utility plant, means property which has been removed, sold, abandoned, destroyed, or which for any cause has been withdrawn from service.
13. "Replacing" or "replacement," when not otherwise indicated in the context, means the construction or installation of utility plant in place of property retired, together with the removal of the property retired.
14. "Retirement units" means those items of utility plant which, when retired, with or without replacement, are accounted for by crediting the book cost thereof to the utility plant account in which included.

15. "Salvage value" means the amount received for property retired, less any expenses incurred in connection with the sale or in preparing the property for sale; or, if retained, the amount at which the material recoverable is chargeable to materials and supplies, or other appropriate account.

16. "Service life" means the time between the date utility plant is includible in utility plant in service, or utility plant leased to others, and the date of its retirement. If depreciation is accounted for on a production basis rather than on a time basis, then service life should be measured in terms of the appropriate unit of production.

17. "Service value" means the difference between original cost and net salvage value of utility plant.

18. "Utility," as used herein and when not otherwise indicated in the context, means any public utility to which this system of accounts is applicable.

Part 2

GENERAL INSTRUCTIONS

1. Classification of utilities

A. This system of accounts applies to private sewage utilities as defined in Section 16-1 of the Connecticut General Statutes, Revision of 1958, Revised to 1966, as amended by Public Act No. 546.

2. Records

A. Each utility shall keep its books of account, and all other books, records, and memoranda which support the entries in such books of account so as to be able to furnish readily full information as to any item included in any account. Each entry shall be supported by such detailed information as will permit a ready identification, analysis, and verification of all facts relevant thereto.

B. In addition to prescribed accounts, clearing accounts, temporary or experimental accounts, and subdivisions of any account, may be kept provided the integrity of the prescribed accounts is not impaired.

C. Each utility shall keep its books on either a monthly or quarterly basis. Each utility shall close its books at the end of each calendar year.

3. Item lists

Lists of "items" appearing in the texts of the accounts elsewhere herein are for the purpose of more clearly indicating the application of the prescribed accounting. The lists are intended to be representative, but not exhaustive. The appearance of an item in a list warrants the inclusion of the item in the account mentioned only when the text of the account also indicates inclusion inasmuch as the same item frequently appears in more than one list. The proper entry in each instance must be determined by the texts of the accounts. In cases of doubtful interpretation, the matter shall be submitted to the commission for decision.

4. Distribution of pay and expenses of employees

The charges to utility plant, operating expenses and other accounts for services and expenses of employees engaged in activities chargeable to various accounts, such as construction, maintenance, and operations, shall be based upon the actual

time engaged in the respective classes of work, or in case that method is impracticable, upon the basis of a study of the time actually engaged during a representative period.

5. Accounting to be on the accrual basis

The utility is required to keep its accounts on the accrual basis. This requires the inclusion in its accounts of all known transactions of appreciable amount which affect the accounts. If bills covering such transactions have not been received or rendered, the amounts shall be estimated and appropriate adjustments made when the bills are received.

6. Accounting for other departments

If the utility also operates other utility departments; such as, electric, gas, water, etc., it shall keep such accounts for the other departments as may be prescribed by proper authority and in the absence of prescribed accounts, it shall keep such accounts as are proper or necessary to reflect the results of operating each other department.

7. Extraordinary items

It is the intent that net income shall reflect all items of profit and loss during the period with the sole exception of prior period adjustments as described in paragraph 8 below. Those items related to the effects of events and transactions which have occurred during the current period and which are not typical or customary business activities of the company shall be considered extraordinary items. Accordingly, they will be events and transactions of significant effect which would not be expected to recur frequently and which would not be considered as recurring factors in any evaluation of the ordinary operating processes of business. (In determining significance, items of a similar nature should be considered in the aggregate. Dissimilar items should be considered individually, however, if they are few in number, they may be considered in aggregate). To be considered as extraordinary under the above guidelines, an item should be more than approximately 5 percent of income, computed before extraordinary items. Commission approval must be obtained to treat an item of less than 5 percent, as extraordinary. (See Accounts 434 and 435.)

8. Prior period items

A. As a general rule, items relating to transactions which occurred prior to the current calendar year but were not recorded in the books of account shall be included in the same accounts in which they would have been recorded had the item been recorded in the proper period. Such items relate to events or transactions which occurred in a prior period or periods, the accounting effects of which could not be determined with reasonable assurance at the time, usually because of major uncertainty then existing. When the amount of a prior period item is relatively so large its inclusion for a single month would distort the accounts for that month, the amount may be distributed in equal amounts to the accounts for the current and remaining months of the calendar year. However, if the amount of any prior period item is so large that the company believes its inclusion in the income statement would seriously distort the net income for the year, the company shall request commission approval to record the amount in account 439, Adjustments to Retained Earnings. Such a request must be accompanied by adequate justification.

B. Treatment as prior period adjustments should not be applied to the normal, recurring corrections and adjustments which are the natural result of the use of estimates inherent in the accounting process. For example, changes in the estimated

remaining lives of fixed assets affect the computed amounts of depreciation, but these changes should be considered prospective in nature and not prior period adjustments. Similarly, relatively insignificant adjustments of provisions for liabilities (including income taxes) made in prior periods should be considered recurring items to be reflected in operations of the current period. Some uncertainties, for example those relating to the realization of assets (collectibility of accounts receivable, ultimate recovery of deferred costs of realizability of inventories or other assets), would not qualify for prior period adjustment treatment, since economic events subsequent to the date of the financial statements must of necessity enter into the elimination of any previously-existing uncertainty. Therefore, the effects of such matters are considered to be elements in the determination of net income for the period in which the uncertainty is eliminated. (See Account 439.)

Part 3

UTILITY PLANT INSTRUCTIONS

1. Utility plant to be recorded at cost

A. All amounts included in the accounts for utility plant acquired as an operating unit or system, shall be stated at the cost incurred by the person who first devoted the property to utility service and all other utility plant shall be included in the accounts at the cost incurred by the utility except as otherwise provided in the texts of the intangible plant accounts. Where the term "cost" is used in the detailed plant accounts, it shall have the meaning stated in this paragraph.

B. When the consideration given for property is other than cash, the value of such consideration shall be determined on a cash basis. In the entry recording such transaction, the actual consideration shall be described with sufficient particularity to identify it. The utility shall be prepared to furnish the commission the particulars of its determination of the cash value of the consideration if other than cash.

C. When property is purchased under a plan involving deferred payments, no charge shall be made to the utility plant accounts for interest, insurance or other expenditures occasioned solely by such form of payment.

D. Utility plant contributed to the utility or constructed by it from contributions to it of cash or its equivalent shall be charged to the utility plant accounts at cost of construction, estimated if not known. There shall be credited to the accounts for accumulated depreciation and amortization the estimated amount of depreciation and amortization applicable to the property at the time of its contribution to the utility. The difference between the amounts included in the utility plant accounts and the accumulated depreciation and amortization shall be credited to account 271, Contributions in Aid of Construction.

2. Components of construction cost

The cost of construction of property chargeable to the utility plant accounts shall include, where applicable, the cost of labor, materials and supplies, transportation, work done by others for the utility, injuries and damages incurred in construction work, privileges and permits, special machine service, interest during construction and such portion of general engineering, administrative salaries and expenses, insurance, taxes and other analogous items as may be properly includible in construction costs.

3. Land and land rights

A. The accounts for land and land rights include the cost of land owned in fee by the utility and rights, interests, and privileges held by the utility in land owned

by others; such as, leaseholds, easements, water and water power rights, diversion rights, submersion rights, rights of way, and other like interest in land.

B. Where special assessments for public improvements provide for deferred payments, the full amount of the assessments shall be charged to the appropriate land account and the unpaid balance shall be carried in an appropriate liability account. Interest on unpaid balances shall be charged to the appropriate interest account. If any part of the cost of public improvements is included in the general tax levy, the amount thereof shall be charged to the appropriate tax account.

C. The cost of buildings and other improvements (other than public improvements) shall not be included in the land accounts. If at the time of acquisition of an interest in land such interest extends to buildings or other improvements (other than public improvements), which are then devoted to utility operations, the land and improvements shall be separately appraised and the cost allocated to land and buildings or improvements on the basis of the appraisals. If the improvements are removed or wrecked without being used in operations, the cost of removing or wrecking shall be charged and the salvage credited to the account in which the cost of the land is recorded.

D. When the purchase of land for utility operations requires the purchase of more land than needed for such purposes, the charge to the specific land account shall be based upon the cost of the land purchased less the fair market value of that portion of the land which is not to be used in utility operations. The portion of the cost measured by the fair market value of the land not to be used shall be included in account 354, Property Held for Future Use, or account 121, Nonutility Property, as appropriate.

4. Structures and improvements

A. The accounts for structures and improvements include the cost of all buildings and facilities to house, support, or safeguard property of persons, including all fixtures permanently attached to and made a part of buildings and which cannot be removed therefrom without cutting into the walls, ceilings, or floors, or without in some way impairing the buildings, and improvements of a permanent character on or to land.

B. The cost of specially provided foundations not intended to outlast the machinery or apparatus for which provided, the cost of angle irons, castings, etc., installed at the base of any item of equipment, shall be charged to the same account as the cost of the machinery, apparatus or equipment.

C. Where furnaces and boilers are used primarily for furnishing steam for some particular department and only incidentally for furnishing steam for heating a building and operating the equipment therein, the entire cost of such furnaces and boilers shall be charged to the appropriate plant account, and no part to the building account.

5. Equipment

A. The cost of equipment chargeable to the utility plant accounts, unless otherwise indicated in the text of an equipment account, includes the net purchase price thereof, sales taxes, investigation and inspection expenses necessary to such purchase, expenses of transportation when borne by the utility, labor employed, materials and supplies consumed, and expenses incurred by the utility in unloading and placing the equipment in readiness to operate.

B. Exclude from equipment accounts hand and other portable tools, which are likely to be lost or stolen or which have relatively small value or short life, unless the correctness of the accounting therefor as utility plant is verified by current

inventories. Special tools acquired and included in the purchase price of equipment shall be included in the appropriate plant account. Portable drills and similar tool equipment when used in connection with the operation and maintenance of a particular plant or department, such as pumping, distribution, etc., or in "stores," shall be charged to the plant account appropriate for their use.

C. The equipment accounts shall include angle irons and similar items which are installed at the base of an item of equipment, but piers and foundations which are designed to be as permanent as the buildings which house the equipment, or which are constructed as a part of the building and which cannot be removed without cutting into the walls, ceilings, or floors, or without in some way impairing the building, shall be included in the building accounts.

6. Utility plant retired

A. When depreciable utility plant is abandoned, destroyed, withdrawn or otherwise retired from service for any cause, the book cost of the plant shall be deducted from the utility plant accounts and charged to accumulated provision for depreciation. The cost of removing such plant shall be charged to accumulated provision for depreciation and the amount received for any materials recovered and sold, or salvage value if returned to stores, shall be credited to the accumulated provision for depreciation. It is not intended that the above procedure shall be followed in the replacement of minor items of plant, the replacement of which is charged to operating expense accounts.

B. The book cost of land retired shall be credited to the appropriate land account. If the land is sold, the difference between the book cost, less any accumulated provision for amortization therefor which has been authorized and provided, and the sale price of the land, less commissions and other expenses of making the sale, shall be included in account 411.6, Gains from Disposition of Utility Plant or account 411.7, Losses from Disposition of Utility Plant, when such property is included in accounts 300-353. If at the time of sale such property is classified in account 354, Property Held for Future Use, or account 121, Nonutility Property; but had previously been classified in the aforementioned utility plant accounts, gains or losses on its sale shall be charged or credited to account 411.6 or 411.7, as appropriate, otherwise to account 421.1, Gain on Disposition of Property, or account 421.2, Loss on Disposition of Property, unless otherwise authorized by the commission. If the land is not used in utility service but is retained by the utility, the book cost shall be charged to account 354, Property Held for Future Use, or account 121, Nonutility Property, as appropriate.

Note: Significant gains or losses on sale of property, as determined by the commission, shall be transferred to account 256, Deferred Gains from Disposition of Property, or account 187, Deferred Losses from Disposition of Property; and amortized to accounts 411.6, Gains from Disposition of Utility Plant, 411.7, Losses from Disposition of Utility Plant, 421.1, Gain on Disposition of Property, or 421.2, Loss on Disposition of Property, as appropriate.

C. The book cost of utility plant retired shall be the amount at which such property is included in the utility plant accounts, including all components of construction costs. The book cost shall be determined from the utility's records and, if this cannot be done, it shall be estimated. When it is impracticable to determine the book cost of each unit, due to the relatively large number or small cost thereof, an appropriate average book cost of the units, with due allowance for any differences in size and character, shall be used as the book cost of the units retired.

D. When utility plant constituting an operating unit or system is sold, conveyed, or transferred to another by sale, merger, consolidation, or otherwise, the book cost of the property sold or transferred to another shall be credited to the appropriate utility plant accounts, including amounts carried in account 356, Utility Plant Acquisition Adjustments. The amounts (estimated if not known) carried with respect thereto in the accounts for accumulated provision for depreciation and amortization and in account 252, Customer Advances for Construction, and account 271, Contribution in Aid of Construction, shall be charged to such accounts and the contra entries made to account 351, Utility Plant Purchased or Sold. Unless otherwise ordered by the commission, the difference, if any, between (a) the net amount of debits and credits and (b) the consideration received for the property, less commissions and other expenses of making the sale, shall be included in account 411.6, Gains from Disposition of Utility Plant, or account 411.7, Losses from Disposition of Utility Plant, as appropriate. (See account 351. Utility Plant Purchased or sold.)

Note A: Significant gains or losses on sale of property, as determined by the commission, shall be transferred to account 256, Deferred Gains from Disposition of Property, or account 187, Deferred Losses from Disposition of Property, and amortized to accounts 411.6, Gains from Disposition of Utility Plant, or 411.7, Losses from Disposition of Utility Plant, as appropriate.

Note B: In cases where existing utilities merge or consolidate because of financial or operating reasons or statutory requirements rather than as a means of transferring title of purchased properties to a new owner, the accounts of the constituent utilities, with the approval of the commission, may be combined. In the event original cost has not been determined, the resulting utility shall proceed to determine such cost as outlined herein.

Part 4

BALANCE SHEET ACCOUNTS

Utility Plant

100. Utility plant

A. This account shall include the book amount of utility plant, included in the plant accounts 301 to 357, inclusive, prescribed herein and in similar accounts for other utility departments, and having an expectation of life in service of more than one year from date of installation, including such property owned by the utility but held by nominees. Separate subaccounts shall be maintained hereunder for each utility department.

B. The cost of additions to and betterments of property leased from others, which are includible in this account, shall be maintained in subdivisions separate and distinct from those relating to owned property.

110. Accumulated provision for depreciation and amortization of utility plant

A. This account shall be credited with the following:

(1) Amounts charged to account 403, Depreciation Expense, to account 404, Amortization Expense, to account 413, Expenses of Utility Plant Eased to Others, to account 416, Costs and Expenses of Jobbing and Contract Work, or to clearing accounts for currently accruing depreciation or amortization of plant.

(2) Amounts of depreciation applicable to utility properties acquired as operating units or systems.

(3) Amounts chargeable to account 182, Extraordinary Property Losses, when authorized by commission.

(4) Amounts of depreciation applicable to utility plant donated to the utility.

B. At the time of retirement of utility plant, this account shall be charged with the book cost of the property retired and the cost of removal, and shall be credited with the salvage value and any other amounts recovered, such as insurance.

C. The credits and debits to this account shall be so kept as to show separately: (1) the amount of accrual for depreciation or amortization, (2) the book cost of property retired, (3) cost of removal, (4) salvage, and (5) other items, including recoveries from insurance.

D. The utility is restricted in its use of the provisions for depreciation to the purposes set forth above. It shall not divert any portion of this account to retained earnings or make any use thereof without authorization by the commission.

Other Property and Investments

121. Nonutility property

This account shall include the book cost of land, structures, equipment or other tangible or intangible property owned by the utility, but not used in utility service and not properly includible in account 354, Property Held for Future Use.

122. Accumulated provision for depreciation and amortization of nonutility property

This account shall include the accumulated provision for depreciation and amortization applicable to property other than utility plant.

124. Other investments

A. This account shall include the book cost of investments in securities issued or assumed by other companies, investment advances to such companies, and any investments not accounted for elsewhere. Include also the offsetting entry to the recording of amortization of discount or premium on interest-bearing investments. (See account 419, Interest and Dividend Income.)

B. The records shall be maintained in such manner as to show the amount of each investment and the investment advances to each person.

125. Special funds

This account shall include the amount of each and book cost of investments which have been segregated in special funds for bond retirements, property additions, and replacements, insurance, employees' pensions, savings, relief, hospital, and other purposes not provided for elsewhere. A separate account, with appropriate title, shall be kept for each fund.

Note: Amounts deposited with a trustee under the terms of an irrevocable trust agreement for pensions or other employees' benefits shall not be included in this account.

Current and Accrued Assets

131. Cash and working funds

This account shall include the amount of cash on hand and in banks and each advanced to officers, agents, employees, and others as petty cash or working funds. Special cash deposits for payment of interest, dividends or other special purposes

shall be included in this account in separate subdivisions which shall specify the purpose for which each such special deposit is made.

Note: Special deposits for more than one year which are not offset by current liabilities, shall not be charged to this account but to account 125, Special Funds.

132. Temporary cash investments

A. This account shall include the book cost of investments; such as, demand and time loans, bankers' acceptances, United States Treasury certificates, marketable securities, and other similar investments, acquired for the purpose of temporarily investing cash.

B. This account shall be so maintained as to show separately temporary cash investments in securities of associated companies and of others. Records shall be kept of any pledged investments.

141. Notes receivable

This account shall include the book cost, not includible elsewhere, of all collectible obligations in the form of notes receivable and similar evidences (except interest coupons) of money due on demand or within one year from the date of issue.

Note: The face amount of notes receivable, discounted, sold, or transferred without releasing the utility from liability as endorser thereon, shall be credited to a separate subdivision of this account and appropriate disclosure shall be made in financial statements of any contingent liability arising from such transactions.

142. Customer accounts receivable

A. This account shall include amounts due from customers for utility service, and for merchandising, jobbing and contract work.

B. This account shall be maintained so as to permit ready segregation of the amounts due for merchandising, jobbing and contract work.

143. Other accounts receivable

A. This account shall include amounts due the utility upon open accounts, other than amounts due from customers for utility services, and merchandising, jobbing and contract work.

B. This account shall be maintained so as to show separately amounts due on subscriptions to capital stock and from officers and employees, but the account shall not include amounts advanced to officers or others as working funds.

144. Accumulated provision for uncollectible accounts

This account shall be credited with amounts provided for losses on accounts receivable which may become uncollectible, and also with collections on accounts previously charged hereto. Concurrent charges shall be made to account 690, Uncollectible Accounts, for amounts applicable to utility operations, and to corresponding accounts for other operations. Records shall be maintained so as to show the write-offs of accounts receivable for each utility department.

150. Materials and supplies

A. This account shall include the cost of fuel on hand and unapplied materials and supplies. It shall also include the book cost of materials recovered in connection with construction, maintenance or the retirement of property, such materials being credited to construction, maintenance, or accumulated depreciation provision, respectively, and included herein as follows:

(1) Reusable materials consisting of large individual items shall be included in this account at original cost, estimated if not known. The cost of repairing such items shall be charged to the maintenance account appropriate for the previous use.

(2) Reusable materials consisting of relatively small items, the identity of which (from the date of original installation to the final abandonment or sale thereof) cannot be ascertained without undue refinement in accounting, shall be included in this account at current prices new for such items. The cost of repairing such items shall be charged to the appropriate expense account as indicated by previous use.

(3) Scrap and nonusable materials included in this account shall be carried at the estimated net amount realized therefrom. The difference between the amounts realized for scrap and nonusable materials sold and the net amount at which the materials were carried in this account, as far as practicable, shall be adjusted to the accounts credited when the materials were charged to this account.

B. Materials and supplies issued shall be credited hereto and charged to the appropriate construction, operating expense, or other account on the basis of a unit price determined by the use of cumulative-average, first-in-first-out, or such other method of inventory accounting as conforms with accepted accounting standards consistently applied.

C. Inventories of materials, supplies, fuel, etc., shall be taken at least annually and the necessary adjustments shall be made to bring this account into agreement with the actual inventories. In effecting the adjustments, large differences which can be assigned to important classes of materials shall be equitably adjusted among the accounts to which such classes of materials have been charged since the previous inventory. Other differences shall be equitably apportioned among the accounts to which materials have been charged.

ITEMS

1. Invoice price of materials less cash or other discounts.
2. Freight, switching or other transportation charges when practicable to include as part of the cost of particular materials to which they relate.
3. Customs duties and excise taxes.
4. Costs of inspection and special tests prior to acceptance.
5. Insurance and other directly assignable charges.

Note A: Where expenses applicable to materials purchased cannot be directly assigned to particular purchases, they may be charged to a stores expense clearing account and distributed therefrom to the appropriate account.

Note B: When materials and supplies are purchased for immediate use, they need not be carried through this account but may be charged directly to the appropriate utility plant or expense account.

165. Prepayments

A. This account shall include the amount of rents, taxes, insurance, interest and like disbursements made in advance of the period to which they apply. As the periods covered by such prepayments expire, credit this account and charge the proper operating expense or other account with the amount applicable to the period.

B. This account shall be kept or supported in such manner as to disclose the amount of each class of prepayments.

170. Other current and accrued assets

This account shall include the book cost of all other current and accrued assets, appropriately designated and supported so as to show the nature of each asset included herein.

Deferred Debits

181. Unamortized debt discount and expense

A. This account shall include the total of the unamortized balance of discount and expense for all classes of long-term debt.

B. The discount and expense shall be amortized over the life of the respective issues under a plan which will distribute the amounts equitably over the life of the securities. The amortization shall be charged to account 428, Amortization of Debt Discount and Expense. The utility may, however, accelerate the writing off of discount and expense where the amounts are insignificant.

182. Extraordinary property losses

A. When authorized or directed by the commission, this account shall include extraordinary losses on property abandoned or otherwise retired from service which are not provided for by the accumulated provisions for depreciation or amortization and which could not reasonably have been foreseen and provided for, and extraordinary losses, such as unforeseen damages to property, which could not reasonably have been anticipated and which are not covered by insurance or other provisions.

B. The entire cost, less net salvage, of depreciable property retired shall be charged to accumulated provision for depreciation. If all, or a portion, of the loss is to be included in this account, the accumulated provision for depreciation shall then be credited and this account charged with the amount properly chargeable hereto.

C. Application to the commission for permission to use the account shall be accompanied by a statement giving a complete explanation with respect to the items which it is proposed to include herein, the period over which, and the accounts to which it is proposed to write off the charges, and other pertinent information.

183. Other deferred debits

A. This account shall include the following classes of items:

(1) Expenditures for preliminary surveys, plans, investigations, etc., made for the purpose of determining the feasibility of projects under contemplation. If construction results, this account shall be credited with the amount applicable thereto and the appropriate plant accounts shall be charged with an amount which does not exceed the expenditures which may reasonably be determined to contribute directly and immediately and without duplication to plant. If the work is abandoned, the charge shall be to account 426, Miscellaneous Income Deductions, or to the appropriate operating expense account.

(2) Undistributed balances in clearing accounts at the date of the balance sheet. Balances in clearing accounts shall be substantially cleared not later than the end of the calendar year unless items held therein relate to a future period.

(3) Balances representing expenditures for work in progress other than on utility plant. This includes jobbing and contract work in progress.

(4) Other debit balances, the proper final disposition of which is uncertain, and unusual or extraordinary expenses, not included in other accounts, which are in process of being written off.

B. The records supporting the entries to this account shall be so kept that the utility can furnish full information as to each deferred debit included herein.

187. Deferred losses from disposition of property

This account shall include losses from the sale or other disposition of property previously recorded in accounts 300-353, in account 354, Property Held for Future

Use, or account 121, Nonutility Property, where such losses are significant and are to be amortized over a period of five years, unless otherwise authorized by the commission. The amortization of the amounts in this account shall be made by debits to account 411.7, Losses from Disposition of Utility Plant, or account 421.2, Loss on Disposition of Property, as appropriate. Amounts recorded in this account shall be net of related income taxes. (See Utility Plant Instructions 6B and 6D.)

Proprietary Capital

201. Common capital stock

204. Preferred capital stock

A. These accounts shall include the par value or the stated value of stock without par value if such stock has a stated value, and, if not, the cash value of the consideration received for such nonpar stock, of each class of capital stock actually issued, including the par or stated value of such capital stock in account 217, Reacquired Capital Stock.

B. When the actual cash value of the consideration received is more or less than the par or stated value of any stock having a par or stated value, the difference shall be credited or debited, as the case may be, to the premium or discount account for the particular class and series.

C. When capital stock is retired, these accounts shall be charged with the amount at which such stock is carried herein.

D. A separate ledger account, with a descriptive title, shall be maintained for each class and series of stock.

The supporting records shall show the shares nominally issued, actually issued, and nominally outstanding.

Note: When a levy or assessment, except a call for payment on subscriptions, is made against holders of capital stock, the amount collected upon such levy or assessment shall be credited to account 207, Other Paid-In Capital; provided, however, that the credit shall be made to account 213, Discount on Capital Stock, to the extent of any remaining balance of discount on the issue of stock.

207. Other paid-in capital

This account shall include the balance of all other credits for paid-in capital not includible in the capital stock accounts, and shall be kept so as to show the source of the credits includible herein.

ITEMS

1. Premium received on original issues of capital stock.
2. Donations received from stockholders consisting of capital stock or reduction of debt of the utility, and the each value of other assets received as a donation.
3. Reduction in par or stated value of capital stock.
4. Gain on resale or cancellation of reacquired capital stock.
5. Miscellaneous paid-in capital.

Note: Premium on capital stock shall not be set off against expenses. Further, a premium received on an issue of a certain class or series of stock shall not be set off against expense of another issue of the same class or series.

212. Installments received on capital stock

A. This account shall include in a separate subdivision for each class and series of capital stock the amount of installments received on capital stock on a partial or

installment payment plan for subscribers who are not bound by legally enforceable subscription contracts.

B. As subscriptions are paid in full and certificates issued, this account shall be charged and the appropriate capital stock account credited with the par or stated value of such stock. Any discount or premium on an original issue shall be included in the appropriate discount or premium account.

213. Discount on capital stock

A. This account shall include in a separate subdivision for each class and series of capital stock all discount on the original issuance and sale of capital stock, including additional capital stock of a particular class or series as well as first issues.

B. When capital stock which has been actually issued is retired, the amount in this account applicable to the shares retired shall be written off to account 207, Other Paid-In Capital, provided, however, that the amount shall be charged to account 439, Adjustments to Retained Earnings, to the extent that it exceeds the balance in account 207.

C. The utility may amortize the balance in this account by charges to account 439, Adjustments to Retained Earnings.

214. Capital stock expense

A. This account shall include in a separate subdivision for each class and series of stock all commissions and expenses incurred in connection with the original issuance and sale of capital stock, including additional capital stock of a particular class or series as well as first issues. Expenses applicable to capital stock shall not be deducted from premium on capital stock.

B. When capital stock which has been actually issued by the utility is retired, the amount in this account applicable to the shares retired shall be written off to account 207, Other Paid-In Capital, to the extent of gains on resale or cancellation of reacquired stock includible therein; provided, however, that the amount shall be charged to account 439, Adjustments to Retained Earnings, to the extent that it exceeds the balance in account 207, from such source.

C. The utility may amortize the balance carried in this account by systematic charges to account 425, Miscellaneous Amortization, or it may write off capital stock expense in whole or in part by charges to account 439, Adjustments to Retained Earnings.

Note: Expenses in connection with the reacquisition or resale of the utility's capital stock shall not be included herein.

215. Appropriated retained earnings

This account shall include the amount of retained earnings which has been appropriated or set aside for specific purposes. Separate subaccounts shall be maintained under such titles as will designate the purpose for which each appropriation was made.

216. Unappropriated retained earnings

This account shall include the balance, either debit or credit, of unappropriated retained earnings arising from earnings. It shall not include items includible in any subaccount of account 207, Other Paid-In Capital.

217. Reacquired capital stock

A. This account shall include in a separate subdivision for each class and series of capital stock, the cost of capital stock actually issued by the utility and reacquired

by it and not retired or cancelled, except, however, stock which is held by trustees in sinking or other funds.

B. When reacquired capital stock is retired or cancelled, the difference between its cost, including commissions and expenses paid in connection with the reacquisition, and its par or stated value plus any premium and less any discount and expenses applicable to the shares retired, shall be debited or credited, as appropriate, to account 207, Other Paid-In Capital, provided, however, that debits shall be charged to account 439, Adjustments to Retained Earnings, to the extent that they exceed the balance of gains on resale or cancellation of reacquired stock included in account 207.

C. If reacquired capital stock is resold by the utility, the difference between the amount received on the resale of the stock, less expenses incurred in the resale, and the cost of the stock included in this account shall be accounted for as outlined in paragraph B.

Note: The accounting for reacquired stock shall be as prescribed herein unless otherwise specifically required by statute.

218. Noncorporate proprietorship

This account shall include the investment in an unincorporated utility by the proprietor thereof, and shall be charged with all withdrawals from the business by its proprietor. At the end of each calendar year the net income for the year, as developed in the income account, shall be transferred to this account. (See optional accounting procedure provided in Note C, hereunder.)

Note A: Amounts payable to the proprietor as just and reasonable compensation for services performed shall not be charged to this account but to appropriate operating expense or other accounts.

Note B: When the utility is owned by a partnership, a separate account shall be kept to show the net equity of each member therein and the transactions affecting the interest of each such partner.

Note C: This account may be restricted to the amount considered by the proprietor to be the permanent investment in the business, subject to change only by additional investment by the proprietor or the withdrawal of portions thereof not representing net income. When this option is taken, the retained earnings accounts shall be maintained and entries thereto shall be made in accordance with the texts thereof.

Long-Term Debt

221. Bonds

A. Separate accounts shall be maintained hereunder for unmatured bonds of each class and series. Each such account shall be subdivided so as to show:

(1) The face value of the actually issued and unmatured bonds, which have not been retired or cancelled; also, the face value of such bonds issued by others, the payment of which has been assumed by the utility;

(2) The face value of bonds actually issued or assumed by the utility and reacquired by it and not paid, retired, or cancelled.

The account for reacquired debt shall not include securities which are held by trustees in sinking or other funds.

B. When bonds are reacquired, the difference between face value, adjusted for unamortized discount, expense or premium and the amount paid upon reacquisition, shall be debited or credited to account 428, Amortization of Debt Discount and Expense, or account 429, Amortization of Premium on Debt-Cr., as appropriate.

223. Advances from associated companies

A. This account shall include the face value of notes payable to associated companies and the amount of open book accounts representing advances from

associated companies. It does not include notes and open accounts representing indebtedness subject to current settlement.

B. The records supporting the entries to this account shall be so kept that the utility can furnish complete information concerning each note and open account.

224. Other long-term debt

A. This account shall include, until maturity, all longterm debt not otherwise provided for. This covers such items as receivers' certificates, real estate mortgages executed or assumed, assessments for public improvements, notes and unsecured certificates of indebtedness not owned by associated companies, receipts outstanding for long-term debt, and other obligations maturing more than one year from date of issue or assumption.

B. Separate accounts shall be maintained for each class of obligation, and records shall be maintained to show separately for each class all details as to date of obligation date of maturity, interest dates and rates, security for the obligation, etc.

Note: Miscellaneous long-term debt reacquired shall be accounted for in accordance with the procedures set forth in account 221, Bonds.

Current and Accrued Liabilities

231. Notes payable

This account shall include the face value of all notes, drafts, acceptances, or other similar evidences of indebtedness, payable on demand or within a time not exceeding one year from date of issue.

232. Accounts payable

This account shall include all amounts payable by the utility within one year, which are not provided for in other accounts.

235. Customer deposits

This account shall include all amounts deposited with the utility by customers as security for the payment of bills.

236. Taxes accrued

A. This account shall be credited with the amount of taxes accrued during the accounting period, corresponding debits being made to the appropriate accounts for tax charges. Such credits may be based upon estimates, but from time to time during the year as the facts become known, the amount of the periodic credits shall be adjusted so as to include as nearly as can be determined in each year, the taxes applicable thereto. Any amount representing a prepayment of taxes applicable to the period subsequent to the date of the balance sheet shall be shown under account 165, Prepayments.

B. If accruals for taxes are found to be insufficient or excessive, correction therefor shall be made through current tax accruals; however, if such corrections are so large as to seriously distort current expenses, see General Instruction 8 for treatment.

C. Accruals for taxes shall be based upon the net amount payable after credit for any discounts and shall not include any amounts for interest on tax deficiencies or refunds. Interest received on refunds shall be credited to account 419, Interest and Dividend Income, and interest paid on deficiencies shall be charged to account 431, Other Interest Expense.

D. The records supporting the entries to this account shall be kept so as to show for each class of taxes, the amount accrued, the basis for the accrual, the accounts to which charged, and the amount of tax paid.

237. Interest accrued

This account shall include the amount of interest accrued but not matured on all liabilities of the utility, not including, however, interest which is added to the principal of the debt on which incurred. Supporting records shall be maintained so as to show the amount of interest accrued on each obligation.

238. Other current and accrued liabilities

This account shall include the amount of all other current and accrued liabilities not provided for elsewhere appropriately designated and supported so as to show the nature of each liability.

ITEMS

1. Dividends declared but not paid.
2. Matured long-term debt.
3. Matured interest.
4. Taxes collected through payroll deductions or otherwise pending transmittal to the proper taxing authority.

Deferred Credits

251. Unamortized premium on debt

A. This account shall include the total of the unamortized balance of premium and expense for all classes of long-term debt, including receivers' certificates.

B. The premium and expense shall be amortized over the life of the respective issues under a plan which will distribute the amounts equitably over the life of the securities, the amortization shall be credited to account 429, Amortization of Premium on Debt—Cr.

252. Customer advances for construction

This account shall include advances by customers for construction which are to be refunded either wholly or in part. When a customer is refunded the entire amount to which he is entitled, according to the agreement or rule under which the advance was made, the balance, if any, remaining in this account, shall be credited to account 271, Contributions in Aid of Construction.

253. Other deferred credits

This account shall include advance billings and receipts and other deferred credit items, not provided for elsewhere, including amounts which cannot be entirely cleared or disposed of until additional information has been received.

255. Accumulated deferred investment tax credits

A. Prior to any use of this account, the utility must file with the commission, for the purpose of obtaining authorization, a copy of its proposed plan of accounting for deferred investment tax credits. The utility shall not use these accounts unless such use has been authorized by the commission.

This account shall be credited and account 411.3, Investment Tax Credit Adjustments, debited with investment tax credits deferred by companies which do not apply such credits as a reduction of the overall income tax expense in the year in

which a tax credit is realized. There can be neither changes in accounting method for utility operations nor transfers from this account, except as authorized herein or as may otherwise be authorized by the commission. (See Account 411.3.)

B. This account shall be debited and account 411.3 credited with a proportionate amount determined in relation to the average useful life of utility property to which the tax credits relate, or such lesser period of time as may be adopted and consistently followed by the company.

C. Subdivisions of this account by department shall be maintained for deferred investment tax credits that are related to nonutility or other operations. Contra entries affecting such account subdivisions shall be appropriately recorded. Use of deferral or nondeferral accounting procedures adopted for nonutility or other operations are to be followed on a consistent basis.

D. Separate records for each utility department and nonutility operation shall be maintained identifying the properties giving rise to the investment tax credits for each year with the weighted average service life of such properties and any unused balances of such credits. Such records are not necessary unless the tax credits are deferred.

256. Deferred gains from disposition of property

This account shall include gains from the sale or other disposition of property previously recorded in accounts 300-353; in account 354, Property Held for Future Use, or account 121, Nonutility Property, where such gains are significant and are to be amortized over a period of five years, unless otherwise authorized by the commission. The amortization of the amounts in this account shall be made by credits to account 411.6, Gains from Disposition of Utility Plant, or account 421.1, Gain on Disposition of Property, as appropriate. Amounts recorded in this account shall be net of related income taxes. (See Utility Plant Instruction 6B and 6D.)

Operating Reserves

261. Property insurance reserve

A. This account shall include amounts reserved by the utility for self-insurance against losses through accident, fire, flood, or other hazards to its own property or property leased from others. A schedule of risks covered by this reserve shall be maintained, giving a description of the property involved, the character of the risks covered and the rates used.

B. Charges shall be made to this account for losses covered by self-insurance. Details of these charges shall be maintained according to the year the casualty occurred which gave rise to the loss.

265. Miscellaneous operating reserves

A. This account shall include all operating reserves maintained by the utility which are not provided for elsewhere.

B. This account shall be maintained in such manner as to show the amount of each separate reserve and the nature and amounts of the debits and credits thereto.

Note: This account includes only such reserves as may be created for operating purposes and does not include any reservations of income, the credits for which should be carried in account 215, Appropriated Retained Earnings.

Contributions in Aid of Construction

271. Contributions in aid of construction

A. This account shall include donations or contributions in cash, services, or property from states, municipalities or other governmental agencies, individuals, and others for construction purposes.

B. Each credit to this account shall be amortized to account 272, amortized contributions in aid of construction, over the remaining book life of the plant provided by said contribution. No other transfers shall be made from this account to any other account without prior approval of the department.

C. The records supporting the entries to this account shall be so kept that the utility can furnish information as to the purpose of each donation, the conditions, if any, upon which it was made, the amount of donations from (a) states, (b) municipalities, (c) customers, and (d) others, and the amount applicable to each utility department.

D. Each company shall apply to the department for approval of a proper amortization period for the balance, as of December 31, 1985, in the account, contributions in aid of construction.

E. Each company shall apply to the department for approval of such amortization period on or before December 31, 1986.

NOTE: There shall not be included in this account advances for construction which are ultimately to be repaid wholly or in part. (See account 252, Customer Advances for Construction.)

(Effective May 27, 1986)

272. Amortized contributions in aid of construction

This account shall be credited with the amounts charged to Account 271, Contributions in Aid of Construction. (See Account 271, Contributions in Aid of Construction, Paragraph B.)

(Effective May 27, 1986)

Accumulated Deferred Income Taxes

A. Authorization to practice deferred tax accounting must first be obtained from the commission.

B. The utility shall use the accounts provided below for prior accumulations of deferred taxes on income and for additional provisions.

Note A: The test of the accounts below are designed primarily to cover deferrals of federal income taxes pursuant to provisions of the Internal Revenue Code of 1954 but the accounts are also applicable to deferrals of State taxes on income.

Note B: A utility which has more than one utility department and/or nonutility property and which has deferred taxes on income with respect thereto shall classify such deferrals in the accounts provided below so as to allow ready identification of items relating to each utility department and to Other Income and Deductions.

281. Accelerated amortization

A. This account shall be credited and account 410, Provision for Deferred Income Taxes, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the use of accelerated (5-year) amortization of certified defense facilities in computing such taxes, as permitted by Section 168 of the Internal Revenue Code of 1954 (Section 124A of previous Internal Revenue Code), as compared to the depreciation deduction otherwise appropriate and allowable for tax purposes according to the straight line or other non-accelerated depreciation method and appropriate estimated useful life for such property.

B. This account shall be debited and account 411, Income Taxes Deferred in Prior Years-Credit, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of the use in prior years of accelerated (5-year) amortization of certified defense facilities instead of nonaccelerated or nonliberalized depreciation otherwise appropriate for income tax purposes, and deferral of taxes in such prior years as described in paragraph A, above. Such debit to this account and credit to account 411 shall, in general, represent the effect on taxes payable for the current year of the unavailability of a depreciation deduction for tax purposes, or a reduced amount, with respect to any depreciable property for which accelerated amortization was used in prior years, as compared to the depreciation deduction otherwise available and appropriate for such property, considering its estimated useful life, according to the depreciation method ordinarily used by the utility for similar property in computing depreciation for tax purposes by a nonaccelerated or nonliberalized depreciation method.

C. Records with respect to entries to this account as described above, and the account balance, shall be so maintained as to show the factors of calculation and the separate amounts applicable to the facilities of each certification or authorization of accelerated amortization for tax purposes.

D. The use of this account and the accounting described above are not mandatory for any utility, which in accordance with a consistent policy elects not to follow deferred tax accounting even though accelerated amortization is used in computing taxes on income. If, however, deferred tax accounting is initiated with respect to any certified defense facility, the accounting shall not be suspended or discontinued on the property covered by that certificate, without approval of the commission.

E. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in this account or any portion thereof to retained earnings or make any use thereof except as provided in the text of this account without prior approval of the commission. Any remaining balance of accumulated deferred taxes with respect to any certified defense facility for which deferred tax accounting has been followed, shall, upon expiration of the estimated useful life of the facility on which deferred tax calculations were based or upon retirement of such facility or predominant part thereof, be credited to account 411, Income Taxes Deferred in Prior Years-Credit, or otherwise be applied as the commission may authorize or direct.

282. Liberalized depreciation

A. This account shall be credited and account 410, Provision for Deferred Income Taxes, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the use of liberalized depreciation in computing such taxes, as permitted by Section 167 of the Internal Revenue Code of 1954, as compared to the depreciation deduction otherwise appropriate and allowable for tax purposes for similar property of the same estimated useful life according to the straight line or other nonliberalized method of depreciation.

B. This account shall be debited and account 411, Income Taxes Deferred in Prior Years-Credit, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of the use in prior years of liberalized depreciation for income tax purposes, and deferral of taxes in such prior years as described in paragraph A above. Such debit to this account and credit to account 411, shall in general, represent the effect on taxes payable for the current year of the smaller amount of depreciation permitted for tax purposes for the current

year with respect to any depreciable property for which liberalized depreciation was used in prior years, as compared to the depreciation deduction otherwise appropriate and available for similar property of the same estimated useful life according to the straight line or other nonliberalized depreciation method ordinarily used by the utility in computing depreciation for tax purposes.

C. Records with respect to entries to this account, as described above, and account balance, shall be so maintained as to show the factors of calculation and the separate amounts applicable to the plant additions of each vintage year for each class, group, or unit as to which different liberalized depreciation methods and estimated useful lives have been used. The underlying calculation to segregate and associate deferred tax amounts with the respective vintage years may be based on reasonable methods of approximation, if necessary, consistently applied.

D. The use of this account and the accounting described above are not mandatory for any utility, which in accordance with a consistent policy, elects not to follow deferred tax accounting even though liberalized depreciation is used in computing taxes on income. If, however, deferred tax accounting is initiated with respect to any property such accounting shall not be discontinued on that property, without approval of the commission.

E. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in the account or any portion thereof to retained earnings or make any use thereof except as provided in the text of this account without prior approval of the commission. Any remaining deferred tax balance with respect to any years' plant additions or subdivisions thereof for which liberalized depreciation accounting has been followed upon retirement from service of such property or predominant portion thereof, or upon expiration of the estimated useful life on which the depreciation calculations for tax purposes are based, shall be credited to account 411, Income Taxes Deferred in Prior Years-Credit, or otherwise applied as the commission may authorize or direct.

283. Other

A. This account, when its use has been authorized by the commission for specific types of tax deferrals shall be credited and account 410, Provision for Deferred Income Taxes, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the current use of deductions other than accelerated amortization or liberalized depreciation in the computation of income taxes, which deductions for general accounting purposes will not be fully rejected in the utility's determination of annual net income until subsequent years.

B. This account, when its use has been authorized by the commission, shall be debited and account 411, Income Taxes Deferred in Prior Years-Credit, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of deferral of taxes on income in previous years, as provided by paragraph A, above, because of difference in timing for tax purposes of particular income deductions from that recognized by the utility for general accounting purposes, other than with respect to accelerated amortization or liberalized depreciation. Such debit to this account and credit to account 411 shall, in general, represent the effect on taxes payable in the current year of the smaller deduction permitted for tax purposes as compared to the amount recognized in the utility's general accounts with respect to the item or class of items for which deferred tax accounting by the utility was authorized by the commission.

C. Records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factors of calculation with

respect to each annual amount of the item or class of items, other than accelerated amortization or liberalized depreciation, for which tax deferral accounting by the utility is authorized by the commission.

D. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in the account or any portion thereof to retained earnings or make any use thereof except as provided in the text of this account, without prior approval of the commission. Any remaining deferred tax account balance with respect to an amount for any prior years tax deferral, the amortization of which or other recognition in the utility's income accounts has been completed, or other dispositions made, shall be credited to account 411, Income Taxes Deferred in Prior Years-Credit, or otherwise disposed of as the commission may authorize or direct.

Note: In determining appropriate use of this account as a basis of request to the commission for authorization of its use, consideration shall be given to the relative importance of the amount involved, and to other items in the utility's accounts where "prepaid tax accounting" may be appropriate such as situations (a) where the time of taking a deduction in computing taxes on income is such that the tax deduction must be delayed or applied to a series of future years as opposed to earlier recognition of such item in determination of income in the general accounts of the utility, or (b) where inclusion of an income item is required for tax purposes but is to be recognized in whole or in part in the utility's income accounts of a subsequent year or years.

Part 5

UTILITY PLANT ACCOUNTS

Intangible Plant

301. Organization

This account shall include the cost of organizing and incorporating the utility and putting it into readiness to do business. This includes the cost of legal services, amounts paid for privileges of incorporation, office expenses incident to organizing the company and stock and minute books and corporate seal.

Note: This account shall not include any discounts upon securities issued or assumed, nor shall it include any costs incident to negotiating loans, selling bonds, or other evidences of debt, or expenses in connection with the authorization, issuance or sale of capital stock.

302. Franchises and consents

A. This account shall include amounts paid to the federal government, to a state or to a political subdivision thereof in consideration for franchises, consents, or certificates, running in perpetuity or for a specified term of more than one year, together with necessary and reasonable expenses incident to procuring such franchises, consents, or certificates of permission and approval, including expenses of organizing and merging separate corporations where statutes require, solely for the purpose of acquiring franchises.

B. If a franchise, consent, or certificate is acquired by assignment, the charge to this account in respect thereof shall not exceed the amount paid therefor by the utility to the assignor, nor shall it exceed the amount paid by the original grantee, plus the expense of acquisition to such grantee. Any excess of the amount actually paid by the utility over the amount above specified shall be charged to account 426, Miscellaneous Income Deductions.

C. When any franchise has expired, the book cost thereof shall be credited hereto and charged to account 426, Miscellaneous Income Deductions, or to account 110,

Accumulated Provision for Depreciation and Amortization of Utility Plant, as appropriate.

D. Records supporting this account shall be maintained so as to show separately the book cost of each franchise or consent.

Note: Annual or other periodic payments under franchises shall not be included herein but in the appropriate operating expense account.

303. Miscellaneous intangible plant

A. This account shall include the cost of patent rights, licenses, privileges, and other intangible property necessary or valuable in the conduct of utility operations and not specifically chargeable to any other account.

B. When any item included in this account is retired or expires, the book cost thereof shall be credited hereto and charged to account 426, Miscellaneous Income Deductions, or account 110, Accumulated Provision for Depreciation and Amortization of Utility Plant, as appropriate.

C. This account shall be maintained in such a manner that the utility can furnish full information with respect to the amounts included herein.

Collecting System Plant and Equipment

310. Land and land rights

This account shall include the cost of land and land rights used in connection with Collecting System Plant and Equipment. (See Utility Plant Instruction 3.)

311. Structures and improvements

This account shall include the cost in place of Structures and Improvements used in connection with Collecting System not includible in other accounts provided for Collecting System Plant and Equipment. (See Utility Plant Instruction 4.)

312. Service connections, traps and accessories

This account shall include the cost installed of service connections, sewage traps and accessories pertaining thereto, from collecting mains to customer's premises or to junction points with customer-owned portion of such service connection.

313. Mains and accessories

This account shall include the cost installed of all mains, pipes, ducts and accessories, the primary purpose of which is to convey sewage from service connections into and through collecting system to pumping stations and treatment plant.

314. Other collecting system equipment

This account shall include the cost of all equipment used in the collecting process, not included in accounts 312 and 313.

Pumping System Plant and Equipment

320. Land and land rights

This account shall include the cost of land and land rights used in connection with pumping operations. (See Utility Plant Instruction 3.)

321. Structures and improvements

This account shall include the cost in place of structures and improvements used in pumping operations. (See Utility Plant Instruction 4.)

322. Receiving wells

This account shall include the cost of constructing wells at pumping stations or at other junction points along the collecting system, used for intercepting sewage

for clearing and screening, transfer to a pumping well or otherwise further convey it along the collecting system to the treatment plant or point of final discharge.

323. Power pumping equipment

This account shall include the cost installed of all pumping equipment operated by electric or other power, used in the collecting process. Such equipment shall include generating equipment, prime movers, pumps and all appurtenant equipment and appliances.

324. Force mains

This account shall include the cost installed of all mains, piping and special castings, valves, etc., used in conveyance of sewage following pumping thereof, to the next pumping station or other junction point in the collecting system, to the treatment plant or to the point of final discharge.

325. Miscellaneous pumping system equipment

This account shall include the cost of miscellaneous equipment at pumping stations along the collecting system not included in any of the preceding accounts.

Treatment and Disposal System Plant and Equipment

330. Land and land rights

This account shall include the cost of land and land rights used in connection with sewage treatment plant operations. (See Utility Plant Instruction 3.)

331. Structures and improvements

This account shall include the cost in place of structures and improvements used in connection with the operation of the sewage treatment plant. (See Utility Plant Instruction 4.)

332. Grit removal chambers and equipment

This account shall include the cost installed of receptacles into which sewage from the collecting system is deposited and in which the grit or inorganic substance is removed from the sewage prior to the sedimentation treatment. It shall also include the cost of equipment used for washing and clearing grit from the grit removal chambers.

333. Sedimentation tanks

This account shall include the cost installed of all tanks in which sewage is to be retained to permit suspended organic solids to settle.

334. Sludge handling and removal equipment

This account shall include the cost installed of sludge handling equipment, heating and waste burning equipment, sludge drying equipment and other removal equipment and accessories.

335. Chemical treatment plant and equipment

This account shall include the cost installed of chlorine containers, gas producing evaporators, chlorine lines, chlorinators, receptacles, and accessories.

336. Disposal equipment and accessories

This account shall include the cost installed of all pipes, fittings and appurtenances through which the final sewage effluent from treatment plant or disposal plant is discharged to final point of disposal.

General Plant

340. Miscellaneous land and land rights

This account shall include the cost of land and land rights used for utility purposes, the cost of which is not properly includible in other land and land rights accounts. (See Utility Plant Instruction 3.)

341. Miscellaneous structures and improvements

This account shall include the cost in place of structures and improvements used for utility purposes, the cost of which is not properly includible in other Structures and Improvements accounts. (See Utility Instruction 4.)

342. Office furniture and equipment

This account shall include the cost of office furniture and equipment owned by the utility and devoted to utility service, and not permanently attached to buildings, except the cost of such furniture and equipment which the utility elects to assign to other plant accounts on a functional basis.

ITEMS

1. Bookcases and shelves.
2. Desks, chairs, and desk equipment.
3. Drafting room equipment.
4. Filing, storage, and other cabinets.
5. Floor Covering.
6. Library and library equipment.
7. Mechanical office equipment such as accounting machines, typewriters, etc.
8. Safes.
9. Tables.

343. Transportation equipment

This account shall include the cost of transportation vehicles used for utility purposes.

ITEMS

1. Airplanes.
2. Automobiles.
3. Bicycles.
4. Electrical vehicles.
5. Motor trucks.
6. Motorcycles.
7. Repair cars or trucks.
8. Tractors and trailers.
9. Other transportation vehicles.

344. Other general equipment

This account shall include the cost installed of the following equipment.

(1) Equipment used for the receiving, shipping, handling and storage of materials and supplies when not an integral part of the housing structure.

(2) Equipment specially provided for general shops when such equipment is not an integral part of the housing structure.

(3) Laboratory equipment used for general laboratory purposes and not specially provided for or includible in other departmental or functional plant accounts.

(4) Tools, implements, and equipment used in construction or repair work exclusive of equipment includible in other equipment accounts.

(5) Other general equipment, apparatus, etc., used in the utility's sewage operations, and which is not includible in any other account.

Note: General equipment of the nature indicated above whenever practicable shall be assigned to the sewage plant accounts on a functional basis.

Other Utility Plant

350. Other tangible property

This account shall include the cost of tangible utility plant not provided elsewhere.

351. Utility plant purchased or sold

This account shall be charged with the cost of utility plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise, and shall be credited with the selling price of like property transferred to others pending the distribution to appropriate accounts as the commission shall approve or direct.

352. Utility plant in process of reclassification

A. This account shall include temporarily the balance of utility plant which has not yet been reclassified as of the effective date of this system of accounts. The detail of primary accounts in support of this account employed prior to such date shall be continued pending reclassification into the utility plant accounts herein prescribed but shall not be used for additions, betterments, or new construction.

B. No charges other than as provided in Paragraph A, above, shall be made to this account, but retirements of such unclassified utility plant shall be credited hereto and to the supporting (old) fixed capital accounts until the reclassification shall have been accomplished.

353. Utility plant leased to others

A. This account shall include the original cost of utility plant owned by the utility, but leased to others as operating units or systems, where the lessee has exclusive possession.

B. The property included in this account shall be classified according to the detailed accounts prescribed for utility plant in service, and this account shall be maintained in such detail as though the property were used by the owner in its utility operations.

354. Property held for future use

A. This account shall include the original cost of property owned and held for future use in utility service under a definite plan for such use. There shall be included herein property acquired but never used by the utility in utility service, but held for such service in the future under a definite plan, and property previously used by the utility in utility service pending its reuse in the future, under a definite plan, in utility service.

B. The property included in this account shall be classified according to the detailed accounts prescribed for utility plant in service and the account shall be maintained in such detail as though the property were in service. Separate subaccounts shall be maintained hereunder for each utility department for which plant is held for future use.

Note: Materials and supplies, and meters, held in reserve, and normal spare capacity of plant in service shall not be included in this account.

355. Construction work in progress

This account shall include the total of the balances of work orders for utility plant in process of construction but not ready for service at the date of the balance sheet.

356. Utility plant acquisition adjustments

A. This account shall include the difference between (a) the cost to the accounting utility of utility plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise, and (b) the original cost, estimated, if not known, of such property, less the amount or amounts credited by the accounting utility at the time of acquisition to depreciation and amortization reserves and contributions in aid of construction with respect to such property.

B. The amounts recorded in this account with respect to each property acquisition shall be amortized, or otherwise disposed of, as the commission may approve or direct.

357. Other utility plant adjustments

A. This account shall include the difference between the original cost, estimated if not known, and the book cost of utility plant to the extent that such difference is not properly includible in account 356, Utility Plant Acquisition Adjustments.

B. Amounts included in this account shall be classified in such manner as to show the origin of each amount and shall be disposed of as the commission may approve or direct.

Note: The provisions of this account shall not be construed as approving or authorizing the recording of appreciation of utility plant.

Part 6

INCOME ACCOUNTS

Utility Operating Income

400. Operating revenues

There shall be shown under this caption the total amount included in the operating revenue accounts provided herein and in similar accounts for other utility departments. Separate subaccounts shall be maintained for each utility department.

401. Operation and maintenance expense

There shall be shown under this caption the total amount included in the operation and maintenance expense accounts provided herein and in similar accounts for other utility departments. Separate subaccounts shall be maintained for each utility department.

403. Depreciation expense

This account shall include the amount of depreciation expense for the period covered by the income statement for all classes of depreciable utility plant in

service except such depreciation expense as is chargeable to clearing accounts, or to merchandising, jobbing and contract work activities.

If the utility is engaged in more than one utility service, a separate account shall be kept hereunder for each utility service.

404. Amortization expense

This account shall include amortization charges applicable to amounts included in the utility plant accounts for limited-term franchises, licenses, patent rights, limited-term interests in land, and expenditures on leased property where the service life of the improvements is terminable by action of the lease. The charges to this account shall be such as to distribute the book cost of each investment as evenly as may be over the period of its benefit to the utility. Include also, when authorized by the commission, amortization of extraordinary property losses. (See account 182, Extraordinary Property Losses.)

408. Taxes other than income taxes

A. This account shall include the amount of ad valorem, gross revenue or gross receipts taxes, state unemployment insurance, franchise taxes, federal excise taxes, social security taxes, and all other taxes assessed by federal, state, county, municipal, or other local governmental authorities, except income taxes.

B. This account shall be charged in each accounting period with the amount of taxes which is applicable thereto, with concurrent credits to account 236, Taxes Accrued, or account 165, Prepayments, as appropriate. When it is not possible to determine the exact amount of taxes, the amount shall be estimated and adjustments made in current accruals as the actual tax levies become known.

C. The charges to this account shall be made or supported so as to show the amount of each tax and the basis upon which each charge is made. In the case of a utility rendering a number of utility services, taxes includible in this account shall be assigned directly to the utility department the operation of which gave rise to the tax insofar as practicable. Where the tax is not attributable to a specific utility department, it shall be distributed among the utility departments or nonutility operations on an equitable basis.

D. This account shall be maintained according to the subaccounts 408.1 and 408.2 inclusive as shown below.

Note A: Special assessments for street and similar improvements shall be included in the appropriate utility plant or nonutility property account.

Note B: Taxes specifically applicable to construction shall be included in the cost of construction.

Note C: Gasoline and other sales taxes shall be charged as far as practicable to the same account as the materials on which the tax is levied.

Note D: Social security and other forms of so-called payroll taxes shall be distributed to utility departments and to nonutility functions on a basis related to payroll. Amounts applicable to construction shall be charged to the appropriate plant account.

Note E: Interest on tax refunds or deficiencies shall not be included in this account but in account 419, Interest and Dividend Income, or 431, Other Interest Expense, as appropriate.

408.1. Taxes other than income taxes, utility operating income

This account shall include those taxes recorded in account 408, Taxes Other Than Income Taxes, which relate to utility operating income. This account shall be maintained so as to allow ready identification of taxes relating to Utility Operating

Income (by department), Utility Plant Leased to Others and Other Utility Operating Income.

408.2. Taxes other than income taxes, other income and deductions

This account shall include those taxes recorded in account 408, Taxes Other Than Income Taxes, which relate to Other Income and Deductions.

409. Income taxes

A. This account shall include the amount of state and federal income taxes on income properly accruable during the period covered by the income statement to meet the actual liability for such taxes. Concurrent credits for the tax accruals shall be made to account 236, Taxes Accrued, and as the exact amount of taxes becomes known, the current tax accruals shall be adjusted by a charge or credit to this account, unless such adjustment is properly includible in account 439, Adjustments to Retained Earnings, so that this account as nearly as can be ascertained shall include the actual taxes payable by the utility. (See General Instructions 8 for prior period adjustments.)

B. The accruals for income taxes shall be apportioned among utility departments and to Other Income and Deductions so that, as nearly as practicable, each tax shall be included in the expenses of the utility department or Other Income and Deductions, the income from which gave rise to the tax. The income tax effect of amounts recorded in account 439, Adjustments to Retained Earnings, shall be recorded in that account.

C. This account shall be maintained according to the subaccounts 409.1, 409.2 and 409.3, inclusive, as shown below.

Note A: Taxes assumed by the utility on interest shall be charged to account 431, Other Interest Expense.

Note B: Interest on tax refunds or deficiencies shall not be included in this account but in account 419, Interest and Divided Income, or account 431, Other Interest Expense, as appropriate.

409.1. Income taxes, utility operating income

This account shall include the amount of those state and federal income taxes reflected in account 409, Income Taxes, which relate to utility operating income. This account shall be maintained so as to allow ready identification of tax effects (both positive and negative) relating to Utility Operating Income (by department) and Utility Plant Leased to Others.

409.2. Income taxes, other income and deductions

This account shall include the amount of those state and federal income taxes reflected in account 409, Income Taxes, (both positive and negative), which relate to Other Income and Deductions.

409.3. Income taxes, extraordinary items

This account shall include the reflected amount of those state and federal income taxes in account 409, Income Taxes (both positive and negative), which relate to Extraordinary Items.

410. Provision for deferred income taxes

A. This account shall be debited and Accumulated Deferred Income Taxes shall be credited with an amount equal to any deferral of taxes on income as provided by the texts of accounts 281, 282 and 283. There shall not be netted against entries

required to be made to this account any credit amounts appropriately includible in account 411, Income Taxes Deferred in Prior Years-Credit.

B. This account shall be maintained according to the subaccounts 410.1 and 410.2, inclusive, as shown below.

410.1. Provisions for deferred income taxes, utility operating income

This account shall include the amount of those deferred income taxes reflected in account 410, Provision for Deferred Income Taxes, which relate to Utility Operating Income (by department).

410.2. Provisions for deferred income taxes, other income and deductions

This account shall include the amount of those deferred income taxes reflected in account 410, Provision for Deferred Income Taxes, which relate to Other Income and Deductions.

411. Income taxes deferred in prior years-credit

A. This account shall be credited and Accumulated Deferred Income Taxes debited with an amount equal to the portion of taxes on income payable for the year that is attributable to a deferral of taxes on income in a prior year, in accordance with the plan of deferred tax accounting provided by the texts of accounts 281, 282 and 283. There shall not be netted against entries required to be made to this account any debit amounts appropriately includible in account 410, Provision for Deferred Income Taxes.

B. This account shall be maintained according to the subaccounts 411.1 and 411.2, inclusive, as shown below.

411.1. Income taxes deferred in prior years-credit, utility operating income

This account shall include the amount of those taxes deferred in prior years-credit, reflected in account 411, Income Taxes Deferred in Prior Years-Credit, which relate to Utility Operating Income (by department).

411.2. Income taxes deferred in prior years-credit, other income and deductions

This account shall include the amount of those taxes deferred in prior years-credit, reflected in Account 411, Income Taxes Deferred in Prior Years-Credit, which relate to Other Income and Deductions.

411.3. Investment tax credit adjustments

A. This account shall be debited with the amounts of investment tax credits related to utility property that are credited to Account 255, Accumulated Deferred Investment Tax Credit, by companies which do not apply the entire amount of the benefits of the investment credit as a reduction of the overall income tax expense in the year in which such credit is realized. (See Account 255.)

B. This account shall be credited with the amounts debited to Account 255 for proportionate amounts of tax credit deferrals allocated over the average useful life of utility property to which the tax credits relate or such lesser period of time as may be adopted and consistently followed by the company.

C. This account shall be maintained according to the subaccounts 411.4 and 411.5, inclusive, as shown below.

411.4. Investment tax credit adjustments, utility operations

This account shall include the amount of those investment tax credit adjustments reflected in Account 411.3, Investment Tax Credit Adjustments, related to property used in Utility Operations (by department).

411.5. Investment tax credit adjustments, nonutility operations

This account shall include the amount of those investment tax credit adjustments reflected in Account 411.3, Investment Tax Credit Adjustments, related to property used in Nonutility Operations.

411.6. Gains from disposition of utility plant

This account shall include amounts relating to gains from the sale or other disposition of utility plant recorded in accounts 300-353, or property recorded in account 354, Property Held for Future Use, or account 121, Nonutility Property, which had previously been classified in the aforementioned utility plant accounts. Record income taxes on gains recorded in this account in account 409, Income Taxes.

411.7. Losses from disposition of utility plant

This account shall include amounts relating to losses from the sale or other disposition of utility plant recorded in accounts 300-353, or property recorded in account 354, Property Held for Future Use, or account 121, Nonutility Property, which had previously been classified in the aforementioned utility plant accounts. Record the reductions in income taxes attributable to losses recorded in this account in account 409, Income Taxes.

412. Revenues from utility plant leased to others**413. Expenses of utility plant leased to others**

These accounts shall include, respectively, revenues from utility property constituting a distinct operating unit or system leased by the utility to others, and which property is properly includible in account 353, Utility Plant Leased to Others, and the expenses attributable to such property.

Note: Related operating taxes shall be recorded in account 408, Taxes Other than Income Taxes, and income taxes shall be recorded in account 409, Income Taxes, identified separately.

Other Income and Deductions**OTHER INCOME****415. Revenues from merchandising, jobbing and contract work****416. Costs and expenses of merchandising, jobbing and contract work**

These accounts shall include, respectively, all revenues derived from merchandising, jobbing and contract work, including any profit or commission accruing to the utility on jobbing work performed by it as agent under contracts whereby it does jobbing work for another for a stipulated profit or commission, and all expenses incurred in such activities.

Note A: Revenues and expenses of merchandising, jobbing, and contract work shall be reported in these accounts, if a state regulatory body having jurisdiction over the utility requires the net income therefrom to be reported as other income; but the revenues and expenses shall be reported in account 691, Revenues from Merchandising, Jobbing, and Contract Works and account 692, Costs and Expenses of Merchandising, Jobbing, and Contract Work, if such regulatory body requires the net income to be reported as an operating income or expense item. In the absence of a requirement by a state regulatory body, the utility may use these accounts or accounts 691 and 692 at its option, in which case the practice of the utility must be consistent.

Note B: Related operating taxes shall be recorded in account 408, Taxes Other Than Income Taxes, and income taxes shall be recorded in account 409, Income Taxes.

ITEMS

Account 415:

1. Charges for tapping mains and installing services when not includible in account 312, Service Connections, Traps and Accessories.
2. Revenues less discounts and allowances from merchandising, jobbing or contract work.

Account 416:

1. Costs of materials sold or used for jobbing or contract work including transportation, storage and handling.
2. Payroll and related labor cost and expenses, also employees engaged in jobbing or contract work.
3. Inventory adjustments applicable to jobbing stock.
4. Light, heat and power.
5. Losses from uncollectible accounts.
6. Shop and tool expenses.

418. Nonoperating rental income

This account shall include all rent revenues and related expenses of land, buildings, or other property included in account 121, Nonutility Property.

Note: Related operating taxes shall be recorded in account 408, Taxes Other Than Income Taxes, and income taxes shall be recorded in account 409, Income Taxes.

419. Interest and dividend income

This account shall include interest revenues on securities, loans, advances, special deposits, tax refunds and all other interest-bearing assets, and dividends on stock of other companies, whether the securities on which the interest and dividends are received are carried as investments or included in sinking or other special fund accounts.

Note: Related operating taxes shall be recorded in account 408, Taxes Other Than Income Taxes, and income taxes shall be recorded in account 409, Income Taxes.

421. Miscellaneous nonoperating income

This account shall include all revenue and expense items, except taxes, properly includible in the income account and not provided for elsewhere. Related operating taxes shall be recorded in account 408, Taxes Other Than Income Taxes, and income taxes shall be recorded in account 409, Income Taxes.

421.1. Gain on disposition of property

This account shall be credited with the gain on the sale, conveyance, exchange or transfer of property other than that property recorded in, or previously recorded in, accounts 300-353. (See Utility Plant Instructions 6B and 6D.) Income Taxes on Gains recorded in this account shall be recorded in account 409, Income Taxes. (See account 411.6, Gains from Disposition of Utility Plant.)

OTHER INCOME DEDUCTIONS

421.2. Loss on disposition of property

This account shall be charged with the loss on the sale, conveyance, exchange or transfer of property other than that property recorded in, or previously recorded in, accounts 300-353. (See Utility Plant Instructions 6B and 6D.) The reduction in income taxes attributable to losses recorded in this account shall be recorded in

account 409, Income Taxes. (See account 411.7, Losses from Disposition of Utility Plant.)

425. Miscellaneous amortization

This account shall include amortization charges not includible in other accounts which are properly deductible in determining the income of the utility before interest charges. Charges includible herein, if significant in amount, must be in accordance with an orderly and systematic amortization program.

ITEMS

1. Amortization of utility plant acquisition adjustments or of intangibles included in utility plant in service when not authorized to be included in utility operating expenses by the commission.

2. Amortization of amounts in account 182, Extraordinary Property Losses, when not authorized to be included in utility operating expenses by the commission.

3. Amortization of capital stock expenses when in accordance with a systematic amortization program.

426. Miscellaneous income deductions

This account shall include miscellaneous expense items which are nonoperating in nature but which are properly deductible before determining total income before interest charges.

ITEMS

1. Donations for charitable, social or community welfare purposes.

2. Life insurance of officers and employees where utility is beneficiary. (Net premiums less increase in cash surrender value of policies.)

3. Penalties or fines for violation of statutes pertaining to regulation.

Interest Charges

427. Interest on long-term debt

A. This account shall include in each accounting period the amount of interest applicable thereto on outstanding long-term debt issued or assumed by the utility, the liability for which is included in account 221, Bonds or account 224, Other Long-Term Debt.

B. This account shall be so kept or supported as to show the interest accruals on each class and series of long-term debt.

Note: This account shall not include interest on nominally issued or nominally outstanding long-term debt, including securities assumed.

428. Amortization of debt discount and expense

A. This account shall include in each accounting period the portion of unamortized debt discount and expense on outstanding long-term debt which is applicable to such period. Amounts charged to this account shall be credited concurrently to account 181, Unamortized Debt Discount and Expense.

B. This account shall be so kept or supported as to show the debt discount and expense on each class and series of long-term debt.

429. Amortization of premium on debt—cr.

A. This account shall include in each accounting period the portion of unamortized net premium on outstanding long-term debt which is applicable to such period.

Amounts credited to this account shall be charged concurrently to account 251, Unamortized Premium on Debt.

B. This account shall be so kept or supported as to show the premium on each class and series of long-term debt.

430. Interest on debt to associated companies

A. This account shall include in each accounting period, the interest accrued on amounts included in account 223, Advances from Associated Companies, and on all other obligations to associated companies.

B. The records supporting the entries to this account shall be so kept as to show to whom the interest is to be paid, the period covered by the accrual, the rate of interest and the principal amount of the advances or other obligations on which the interest is accrued.

431. Other interest expense

This account shall include in each accounting period all interest charges not provided for elsewhere.

ITEMS

1. Interest on notes payable on demand, or maturing one year or less from date and on open accounts, except notes and accounts with associated companies.

2. Interest on customers' deposits.

3. Interest on claims and judgments, tax assessments, and assessments for public improvements past due.

4. Income and other taxes levied upon bondholders of utility and assumed by it.

432. Interest charged to construction

This account shall include concurrent credits for interest charged to construction based upon the net cost for the period of construction of borrowed funds used for construction purposes and a reasonable rate upon other funds when so used. No interest shall be capitalized on plant which is completed and ready for service.

Extraordinary Items

434. Extraordinary income

This account shall be credited with nontypical, noncustomary, infrequently recurring gains, which would significantly distort the current year's income computed before Extraordinary Items, if reported other than as extraordinary items. The applicable income tax effects of this account shall be recorded in account 409, Income Taxes, identified separately. (See General Instruction 7.)

435. Extraordinary deductions

This account shall be debited with nontypical, noncustomary, infrequently recurring losses, which would significantly distort the current years income computed before Extraordinary Items, if reported other than as extraordinary items. The applicable income tax effects of this account shall be recorded in account 409, Income Taxes, identified separately. (See General Instruction 7.)

Part 7

RETAINED EARNINGS ACCOUNTS

433. Balance transferred from income

This account shall include the net credit or debit transferred from income for the year.

436. Appropriations of retained earnings

This account shall include appropriations of retained earnings.

ITEMS

1. Appropriations required under terms of mortgages, orders of courts, contracts, or other agreements.

2. Appropriations required by action of regulatory authorities.

3. Other appropriations made at option of utility for specific purposes.

437. Dividends declared—preferred stock

This account shall include amounts declared payable out of retained earnings as dividends on actually outstanding preferred or prior lien capital stock issued by the utility.

438. Dividends declared—common stock

This account shall include amounts declared payable out of retained earnings as dividends on actually outstanding common capital stock issued by the utility.

439. Adjustments to retained earnings

A. This account shall include significant nonrecurring transactions relating to prior periods. Other than transactions of capital stock as specified in paragraph B below, all entries to this account must receive prior commission approval. These transactions are limited to those adjustments which (a) can be specifically identified with and related to the business activities of particular prior periods, and (b) are not attributable to economic events occurring subsequent to the date of the financial statements for the prior period, and (c) depend primarily on determinations by persons other than the management and (d) were not susceptible of reasonable estimation prior to such determination. This account shall also include the related income tax effects (State and Federal) on items included herein. All items included in this account shall be sufficiently described in the entries relating thereto as to permit ready analysis.

B. Adjustments, charges or credits due to losses on reacquisition, resale or retirement of the company's own capital stock shall be included in this account. (See account 207, Other Paid-In Capital, for the treatment of gains.)

ITEMS

1. Significant nonrecurring adjustments or settlements of income taxes.

2. Significant amounts resulting from litigation or similar claims.

3. Significant amounts relating to adjustments or settlement of utility revenue under rate processes.

4. Significant adjustments to plant in service depreciation and amortization as a result of commission direction.

5. Write-off of unamortized capital stock expenses.

Part 8

OPERATING REVENUE ACCOUNTS

Sewerage Service Revenues

460. Domestic service

This account shall include all revenues from domestic service to regular, private, and commercial customers.

461. Industrial waste service

This account shall include all revenues derived from service to industries in the removal of waste.

462. Service to public authorities

This account shall include all revenues derived from sewerage service to municipalities or other subdivisions or agencies of Federal or State Governments.

463. Service to other systems

This account shall include all revenues derived from sewerage service rendered to other sewerage utilities, whether operated by a public authority or private corporation.

464. Other sewerage service

This account shall include all revenues derived from domestic sewerage service furnished to any customers served without a permanent connection and for all other sewerage service not elsewhere provided for.

Other Sewerage Revenues**470. Forfeited discounts**

This account shall include the amount of discounts forfeited or additional charges imposed because of failure of customers to pay their sewerage bills on or before a specific date.

471. Rent from sewerage properties

This account shall include all revenues derived from rents received for the use by others of land, buildings, and other property devoted to sewerage operations by the utility.

472. Miscellaneous sewerage revenues

This account shall include revenues for all miscellaneous services and charges billed to customers which are not specifically provided for elsewhere.

Part 9**OPERATION AND MAINTENANCE ACCOUNTS****Plant Operation and Maintenance****600. Salaries and wages**

This account shall include the cost of labor in operating and maintaining all sewerage utility plant including collecting system, pumping system, and treatment and disposal system facilities.

ITEMS

1. Operating collecting system facilities.
2. Operating pumping system facilities.
3. Operating treatment and disposal system facilities.

620. Fuel or power purchased for pumping

This account shall include the cost of all power purchased for use in the operation of pumping facilities and the cost of fuel purchased for direct use in the operation of such facilities.

ITEMS

1. Diesel fuel purchased.
2. Electric power purchased.
3. Gasoline purchased.

- 4. Gas purchased.
- 5. Other fuel or power purchased.

630. Chemicals

This account shall include the cost of all chemicals used in the treatment of sewage.

640. Supplies and expenses

This account shall include the cost of supplies used and expenses incurred in the operation of sewerage plant.

ITEMS

- 1. General operating supplies such as tools, gaskets, packing waste, gauge glasses, hose, indicating lamps, record and report forms, etc.
- 2. First-aid supplies and safety equipment.
- 3. Building service expenses.
- 4. Rents.
- 5. Utility service.
- 6. Transportation, meals and incidental expenses.

650. Repairs of sewerage plant

This account shall include the amount of bills from others for repairs made to the sewerage plant and the repair parts for such plant. It does not include the cost of labor of the utility's own plant operating force.

ITEMS

- 1. Contract work in repairing plant and in rearranging or relocating plant not retired.
- 2. Repair parts and materials used in maintenance of sewerage plant.

660. Transportation expenses

A. This account shall include the cost of labor, materials used and expenses incurred in the operation and maintenance of general transportation equipment of the utility.

B. This account may be used as a clearing account in which event the charges hereto shall be cleared by apportionment to the appropriate operating expense, utility plant, or other accounts on a basis which will distribute the expenses equitably. Credits to this account shall be made in such detail as to permit ready analysis.

ITEMS

- 1. Depreciation of transportation equipment.
- 2. Insurance on transportation equipment.
- 3. License fees for vehicles and drivers.
- 4. Rents for equipment and garages.
- 5. Repairs of transportation equipment.
- 6. Supplies; such as, gas, oil, tires, tubes, grease, etc.

General Expenses

680. Administrative and general salaries

This account shall include the cost of supervision and labor incurred in administrative and customer accounts.

ITEMS

1. Accounting and clerical work on customers accounts on general records.
2. Stenographic work.
3. Supervision and administration.

681. Office supplies and other expenses

This account shall include office supplies and other expenses incurred in connection with customer accounts, sales and general administration of the utility's operations.

ITEMS

1. Address plates and supplies.
2. Automobile service, including charges through clearing account.
3. Bank messenger and service charges.
4. Books, periodicals, bulletins and subscriptions to newspapers, newsletter, tax service, etc.
5. Building service expenses for customer accounts, and administrative and general purposes.
6. Commissions or fees to others for collecting revenues.
7. Communication service expenses.
8. Cost of individual items of office equipment used by general departments which are of small value or short life.
9. Meals, traveling and incidental expenses.
10. Membership fees and dues in trade, technical and professional associations paid by utility for employees. (Company memberships are includible in account 689.)
11. Binders.
12. Office supplies and expenses.
13. Payment of court costs, witness fees and other expenses of legal department.
14. Postage, printing and stationery.
15. Rent of office equipment and other general plant.
16. Repairs of office equipment.

682. Outside services employed

A. This account shall include the fees and expenses of professional consultants and others for general services which are not applicable to a particular operation function nor to other accounts. It shall include also the pay and expenses of persons engaged for a special or temporary administrative or general purpose in circumstances where the person so engaged is not considered an employee of the utility.

B. This account shall be so maintained as to permit ready summarization according to the nature of service and the person furnishing the same.

ITEMS

1. Fees, pay and expenses of accountants and auditors, actuaries, appraisers, attorneys, engineering consultants, management consultants, negotiators, public relations counsel, tax consultants, etc.
2. Supervision fees and expenses paid under contracts for general management service.

Note: Do not include inspection and brokerage fees and commissions chargeable to other accounts or fees and expenses in connection with security issues which are includible in the expenses of issuing securities.

684. Insurance expense

A. This account shall include the cost of insurance or of reserve accruals (1) to protect the utility against losses and damages to owned or leased property used in its utility operations and (2) to protect the utility against injuries' and damages' claims of employees or others, losses of such character not covered by insurance, and expenses incurred in settlement of injuries and damages' claims.

B. Recoveries from insurance companies or others for property damages shall be credited to the account charged with the cost of the damage. If the damaged property has been retired, the credit shall be to the appropriate account for accumulated provision for depreciation.

C. Reimbursements from insurance companies, or others, for expenses charged hereto on account of injuries and damages, and insurance dividends or refunds, shall be credited to this account.

686. Employees pensions and benefits

A. This account shall include pensions paid to or on behalf of retired employees, or accruals to provide for pensions, or payments for the purchase of annuities for the purpose, when the utility has definitely, by contract, committed itself to a pension plan under which the pension funds are irrevocably devoted to pension purposes, and payment for employee accident, sickness, hospital, and death benefits, or insurance therefor. Include, also, expenses incurred in medical, educational or recreational activities for the benefit of employees.

B. The utility shall maintain a complete record of accruals or payments for pensions and be prepared to furnish full information to the commission of the plan under which it has created or proposes to create a pension fund and a copy of the declaration of trust or resolution under which the pension plan is established.

C. There shall be credited to this account the portion of pensions and benefits expenses which is applicable to nonutility operations or which is charged to construction unless such amounts are distributed directly to the accounts involved and are not included herein in the first instance.

688. Regulatory commission expenses

A. This account shall include all expenses (except pay of regular employees only incidentally engaged in such work) property includible in utility operating expenses, incurred by the utility in connection with formal cases before regulatory commissions, or other regulatory bodies, or cases in which such a body is a party, including payments made to a regulatory commission for fees assessed against the utility for pay and expenses of such commission, its officers, agents, and employees.

B. Amounts of regulatory commission expense which by approval or direction of the commission are to be spread over future periods shall be charged to account 183, Other Deferred Debits, and amortized by charges to this account.

C. The utility shall be prepared to show the cost of each formal case.

689. Miscellaneous general expenses

This account shall include the cost of expenses incurred in connection with the general management of the utility not provided for elsewhere.

ITEMS

1. Industry association dues for company memberships.
2. Contributions for conventions and meetings of the industry.
3. Experimental and general research work for the industry.
4. Communication service not chargeable to other accounts.
5. Trustee, registrar, and transfer agent fees and expenses.
6. Stockholders meeting expenses.
7. Dividend and other financial notices.
8. Printing and mailing dividend checks.
9. Directors' fees and expenses.
10. Publishing and distributing annual reports to stockholders.
11. Advertising. (See note below)
12. Public notices of financial operating, and other data required by regulatory statutes, not including however notices required in connection with security issues or acquisitions of property.
13. Rents for property used in customer accounts, or administrative and general functions.

Note: The cost of any advertising for the purpose of influencing public opinion as to the election of public officers, referenda, proposed legislation, proposed ordinances, repeal of existing laws or ordinances, approval or revocation of franchises, or for the purpose of influencing the public or its elected officials, in respect to political matters shall not be included herein but charged to account 426, Other Income Deductions.

690. Uncollectible accounts

This account shall be charged with losses from uncollectible accounts or with accruals to provide for anticipated losses from uncollectible utility revenues. Such accruals shall be credited to account 144, Accumulated Provision for Uncollectible Accounts. If the accrual method is used, losses from uncollectible accounts shall be charged to account 144.

691. Revenues from merchandising, jobbing and contract work**692. Costs and expenses of merchandising, jobbing and contract work**

These accounts shall include, respectively, all revenues derived from merchandising, jobbing and contract work, including any profit or commission accruing to the utility on jobbing work performed by it as agent under contracts whereby it does jobbing work for another for a stipulated profit or commission, and all expenses incurred in such activities.

Note A: The revenues and expenses of merchandising, jobbing and contract work shall be reported in this account if a state regulatory body having jurisdiction over the utility requires the net income therefrom to be reported as an operating expense item; but the amounts shall be reported in accounts 415 and 416 if such regulatory body requires such income to be reported as nonoperating income. In the absence of a requirement by a state regulatory body, the utility may use this account or accounts 415 or 416, at its option, in which case the practice of the utility must be consistent.

Note B: See accounts 415 and 416 for list of items includible herein.

Note C: Related operating taxes shall be recorded in account 403, Taxes Other Than Income Taxes, and income taxes shall be recorded in account 409, Income Taxes.

(Effective February 13, 1973)

Sec. 16-27-2. Community antenna television utilities**Part 1****DEFINITIONS**

When used in this system of accounts:

1. "Accounts" means the accounts prescribed in this system of accounts.

2. "Actually issued," as applied to securities issued or assumed by the utility, means those which have been sold to bona fide purchasers for a valuable consideration, those issued as dividends on stock, and those which have been issued in accordance with contractual requirements direct to trustees of sinking funds.

3. "Actually outstanding," as applied to securities issued or assumed by the utility, means those which have been actually issued and are neither retired nor held by or for the utility; provided, however, that securities held by trustees shall be considered as actually outstanding.

4. "Amortization" means the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized.

5. A. "Associated companies" means companies or persons that, directly or indirectly, through one or more intermediaries, control, or are controlled by, or are under common control with, the accounting company.

B. "Control" (including the terms "controlling," "controlled by," and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers, or stockholders, voting trusts, holding trusts, associated companies, contract or any other direct or indirect means.

6. "Book cost" means the amount at which property is recorded in these accounts without deduction of related provisions for accrued depreciation, amortization, or for other purposes.

7. "Commission," unless otherwise indicated by the context, means the commission prescribing this system of accounts.

8. "Cost" means the amount of money actually paid for property or services. When the consideration given is other than cash, the value of such consideration shall be determined on a cash basis.

9. "Cost of removal" means the cost of demolishing, dismantling, tearing down or otherwise removing utility plant, including the cost of transportation and handling incidental thereto.

10. "Debt expense" means all expenses in connection with the issuance and initial sale of evidences of debt, such as fees for drafting mortgages and trust deeds; fees and taxes for issuing or recording evidences of debt; cost of engraving and printing bonds and certificates of indebtedness; fees paid trustees; specific costs of obtaining governmental authority; fees for legal services; fees and commissions paid underwriters, brokers, and salesmen for marketing such evidences of debt; fees and expenses of listing on exchanges; and other like costs.

11. "Depreciation," as applied to depreciable utility plant, means the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in current operation and against which the utility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand and requirements of public authorities.

12. "Discount," as applied to the securities issued or assumed by the utility, means the excess of the par (stated value of no-par stocks) or face value of the

securities plus interest or dividends accrued at the date of the sale over the cash value of the consideration received from their sale.

13. "Investment advances" means advances, represented by notes or by book accounts only, with respect to which it is mutually agreed or intended between the creditor and debtor that they shall be settled by the issuance of securities or shall not be subject to current settlement.

14. "Minor items of property" means the associated parts or items of which retirement units are composed.

15. "Net salvage value" means the salvage value of property retired less the cost of removal.

16. "Nominally issued," as applied to securities issued or assumed by the utility, means those which have been signed, certified, or otherwise executed, and placed with the proper officer for sale and delivery or pledged, or otherwise placed in some special fund of the utility, but which have not been sold, or issued direct to trustees of sinking funds in accordance with contractual requirements.

17. "Nominally outstanding," as applied to securities issued or assumed by the utility, means those which, after being actually issued, have been reacquired by or for the utility under circumstances which require them to be considered as held alive and not retired, provided, however, that securities held by trustees shall be considered as actually outstanding.

18. "Original cost," as applied to utility plant, means the cost of such property to the person first devoting it to public service.

19. "Person" means an individual, a corporation, a partnership, an association, a joint stock company, a business trust, or any organized group of persons, whether incorporated or not, or any receiver or trustee.

20. "Premium," as applied to the securities issued or assumed by the utility, means the excess of the cash value of the consideration received from their sale over the sum of their par (stated value of no-par stocks) or face value and interest or dividends accrued at the date of sale.

21. "Property retired," as applied to utility plant, means property which has been removed, sold, abandoned, destroyed, or which for any cause has been withdrawn from service.

22. "Replacing" or "replacement," when not otherwise indicated in the context, means the construction or installation of utility plant in place of property retired, together with the removal of the property retired.

23. "Retirement units" mean those items of utility plant which, when retired, with or without replacement, are accounted for by crediting the book cost thereof to the utility plant account in which included.

24. "Salvage value" means the amount received for property retired, less any expenses incurred in connection with the sale or in preparing the property for sale, or, if retained, the amount at which the material recoverable is chargeable to materials and supplies, or other appropriate account.

25. "Service life" means the time between the date utility plant is includible in utility plant in service, or utility plant leased to others, and the date of its retirement. If depreciation is accounted for on a production basis rather than on a time basis, then service life should be measured in terms of the appropriate unit of production.

26. "Service value" means the difference between the original cost and the net salvage value of utility plant.

27. "Utility," as used herein and when not otherwise indicated in the context, means any public utility to which this system of accounts is applicable.

Part 2

GENERAL INSTRUCTIONS

1. Applicability of uniform system of accounts

Each Community Antenna Television Company or utility as defined in Section 16-1 of the 1965 Supplement to the General Statutes and each municipal Community Antenna Television Company utility or department thereof, subject to accounting regulation by the Commission, shall keep its records and accounts in conformity with this Uniform System of Accounts and in conformity with the definitions and instructions contained herein.

2. Records

A. Each utility shall keep its books of account, and all other books, records, and memoranda which support the entries in such books of account so as to be able to furnish readily full information as to any item included in any account. Each entry shall be supported by such detailed information as will permit a ready identification, analysis, and verification of all facts relevant thereto.

B. The books and records referred to herein include not only accounting records in a limited technical sense, but all other records, such as minute books, stock books, reports, correspondence, memoranda, etc., which may be useful in developing the history of or facts regarding any transaction.

C. No utility shall destroy any such books or records unless the destruction thereof is permitted by rules and regulations of the Commission.

D. In addition to prescribed accounts, clearing accounts, temporary or experimental accounts, and subdivisions of any account, may be kept, provided the integrity of the prescribed accounts is not impaired.

E. All amounts included in the accounts prescribed herein for utility plant and operating expenses shall be just and reasonable and any payments or accruals by the utility in excess of just and reasonable charges shall be included in account 426, Misc. Income Deductions.

F. The arrangement or sequence of the accounts prescribed herein shall not be controlling as to the arrangement or sequence in report forms which may be prescribed by the Commission.

3. Numbering system

A. The account numbering scheme used herein consists of a system of three-digit whole numbers as follows:

100-199 Assets and Other Debits.

200-299 Liabilities and Other Credits.

300-399 Plant Accounts.

400-432, 434-435 Income Accounts.

433, 436-439 Retained Earnings Accounts.

440-459 Revenue Accounts.

500-599 Production, Transmitting, Head End and Distribution Expenses.

900-949 Customer Accounts, Sales and General Administrative Expenses.

B. In certain instances, numbers have been skipped in order to allow for possible later expansion or to permit better coordination with the numbering system for other utility departments.

C. The numbers prefixed to account titles are solely for convenience of reference and are not part of the titles. Each utility may adopt such scheme of account numbers

as it deems appropriate; provided, however, that it shall keep readily available a list of the account numbers and subdivisions of accounts which it uses and a reconciliation of such numbers and subdivisions with the account numbers and titles provided herein. Further, the records must be so kept as to permit classification or summarization each accounting period according to the prescribed accounts.

4. Accounting period

Each utility shall keep its books on a monthly basis so that for each month all transactions applicable thereto, as nearly as may be ascertained, shall be entered in the books of the utility. Amounts applicable or assignable to specific utility departments shall be so segregated monthly. Each utility shall close its books at the end of each calendar year.

5. Submittal of questions

To maintain uniformity of accounting, utilities shall submit questions of doubtful interpretation to the Commission for consideration and decision.

6. Item lists

Lists of "items" appearing in the texts of the accounts or elsewhere herein are for the purpose of more clearly indicating the application of the prescribed accounting. The lists are intended to be representative, but not exhaustive. The appearance of an item in a list warrants the inclusion of the item in the account mentioned only when the text of the account also indicates inclusion inasmuch as the same item frequently appears in more than one list. The proper entry in each instance must be determined by the texts of the accounts.

7. Extraordinary items

It is the intent that net income shall reflect all items of profit and loss during the period with the sole exception of prior period adjustments as described in paragraph 7.1 below. Those items related to the effects of events and transactions which have occurred during the current period and which are not typical or customary business activities of the company shall be considered extraordinary items. Accordingly, they will be events and transactions of significant effect which would not be expected to recur frequently and which would not be considered as recurring factors in any evaluation of the ordinary operating processes of business. (In determining significance, items of a similar nature should be considered in the aggregate. Dissimilar items should be considered individually; however, if they are few in number, they may be considered in aggregate.) To be considered as extraordinary under the above guidelines, an item should be more than approximately 5 percent of income, computed before extraordinary items. Commission approval must be obtained to treat an item of less than 5 percent, as extraordinary. (see accounts 434 and 435).

7.1 Prior period items

A. As a general rule, items relating to transactions which occurred prior to the current calendar year but were not recorded in the books of account shall be included in the same accounts in which they would have been recorded had the item been recorded in the proper period. Such items relate to events or transactions which occurred in a prior period or periods, the accounting effects of which could not be determined with reasonable assurance at the time, usually because of major uncertainty then existing. When the amount of a prior period item is relatively so large its inclusion for a single month would distort the accounts for that month, the amount may be distributed in equal amounts to the accounts for the current and remaining

months of the calendar year. However, if the amount of any prior period item is so large that the company believes its inclusion in the income statement would seriously distort the net income for the year, the company shall request Commission approval to record the amount in account 439, Adjustments to Retained Earnings. Such a request must be accompanied by adequate justification.

B. Treatment as prior period adjustments should not be applied to the normal, recurring corrections and adjustments which are the natural result of the use of estimates inherent in the accounting process. For example, changes in the estimated remaining lives of fixed assets affect the computed amounts of depreciation, but these changes should be considered prospective in nature and not prior period adjustments. Similarly, relatively insignificant adjustments of provisions for liabilities (including income taxes) made in prior periods should be considered recurring items to be reflected in operations of the current period. Some uncertainties, for example those relating to the realization of assets (collectibility of accounts receivable, ultimate recovery of deferred costs of realizability of inventories or other assets), would not qualify for prior period adjustment treatment, since economic events subsequent to the date of the financial statements must of necessity enter into the elimination of any previously-existing uncertainty. Therefore, the effects of such matters are considered to be elements in the determination of net income for the period in which the uncertainty is eliminated. (See account 439.)

8. Unaudited items

Whenever a financial statement is required by the Commission, if it is known that a transaction has occurred which affects the accounts but the amount involved in the transaction and its effect upon the accounts cannot be determined with absolute accuracy, then the amount shall be estimated and such estimated amount included in the proper accounts. The utility is not required to anticipate minor items which would not appreciably affect the accounts.

9. Distribution of pay and expenses of employees

The charges to utility plant, operating expenses and other accounts for services and expenses of employees engaged in activities chargeable to various accounts, such as construction, maintenance, and operations, shall be based upon the actual time engaged in the respective classes of work, or in case that method is impracticable, upon the basis of a study of the time actually engaged during a representative period.

10. Payroll distribution

Underlying accounting data shall be maintained so that the distribution of the cost of labor charged direct to the various accounts will be readily available. Such underlying data shall permit a reasonably accurate distribution to be made of the cost of labor charged initially to clearing accounts so that the total labor cost may be classified between construction, cost of removal, utility operating functions (source of supply, pumping, transmission and distribution, etc.) and nonutility operations.

11. Operating reserves

Accretions to operating reserve accounts made by charges to operating expenses shall not exceed a reasonable provision for the expense. Material balances in such

reserve accounts shall not be diverted from the purpose for which provided unless the permission of the Commission is first obtained.

12. Records for each plant

Separate records shall be maintained by utility plant accounts of the book cost of each system owned including additions by the utility to plant leased from others and of the cost of operating and maintaining each system owned or operated. The term "plant" as here used means such items as head end equipment, transmission cable, distribution cable, amplifiers, power supplies, program origination equipment, etc.

13. Accounting for other departments

If the utility also operates other utility departments, such as electric, gas, etc., it shall keep such accounts for the other departments as may be prescribed by proper authority and in the absence of prescribed accounts, it shall keep such accounts as are proper or necessary to reflect the results of operating each other department.

14. Transactions with associated companies

Each utility shall keep its accounts and records so as to be able to furnish accurately and expeditiously statements of all transactions with associated companies. The statements may be required to show the general nature of the transactions, the amounts involved therein and the amounts included in each account prescribed herein with respect to such transactions. Transactions with associated companies shall be recorded in the appropriate accounts for transactions of the same nature. Nothing herein contained, however, shall be construed as restraining the utility from subdividing accounts for the purposes of recording separately transactions with associated companies.

15. Contingent assets and liabilities

Contingent assets represent a possible source of value to the utility contingent upon the fulfillment of conditions regarded as uncertain. Contingent liabilities include items which may under certain conditions become obligations of the utility but which are neither direct nor assumed liabilities at the date of the balance sheet. The utility shall be prepared to give a complete statement of material contingent assets and liabilities (including cumulative dividends on preference stock) in its annual report and at such other times as may be requested by the Commission.

Part 3

UTILITY PLANT INSTRUCTIONS

1. Classification of utility plant at effective date of system of accounts

A. Utility plant as at the effective date of this system should be recorded in account 103, Utility Plant in Process of Reclassification.

B. The cost to the utility of its unclassified plant shall be ascertained by analysis of the utility's records. Adjustments shall not be made to record in utility plant accounts amounts previously charged to operating expenses or to income deductions in accordance with the discretion of management as exercised under accounting practices previously followed.

2. Utility plant to be recorded at cost

A. All amounts included in the accounts for utility plant, acquired as an operating unit or system, shall be stated at the cost incurred by the person who first devoted

the property to utility service and all other utility plant shall be included in the accounts at the cost incurred by the utility except as otherwise provided in the texts of the intangible plant accounts. Where the term "cost" is used in the detailed plant accounts, it shall have the meaning stated in this paragraph.

B. When the consideration given for property is other than cash, the value of such consideration shall be determined on a cash basis. In the entry recording such transaction, the actual consideration shall be described with sufficient particularity to identify it. The utility shall be prepared to furnish the Commission the particulars of its determination of the cash value of the consideration if other than cash.

C. When property is purchased under a plan involving deferred payments, no charge shall be made to the utility plant accounts for interest, insurance, or other expenditures occasioned solely by such form of payment.

D. The utility plant accounts shall not include the cost or other value of utility plant contributed to the company. Contributions in the form of money or its equivalent toward the construction of utility plant shall be credited to the accounts charged with the cost of such construction. Plant constructed from contributions of cash or its equivalent shall be shown as a reduction to gross plant constructed when assembling cost data in work orders for posting to plant ledgers of accounts. The accumulated gross costs of plant accumulated in the work order shall be recorded as a debit in the plant ledger of accounts along with the related amount of contributions concurrently being recorded as a credit.

3. Components of construction cost

The cost of construction properly includible in the utility plant accounts shall include, where applicable, the direct and overhead costs as listed and defined hereunder.

(1) "Contract work" includes amounts paid for work performed under contract by other companies, firms, or individuals, costs incident to the award of such contracts, and the inspection of such work.

(2) "Labor" includes the pay and expenses of employees of the utility engaged on construction work, and related workmen's compensation insurance payroll taxes and similar items of expense. It does not include the pay and expenses of employees which are distributed to construction through clearing accounts nor the pay and expenses included in other items hereunder.

(3) "Materials and supplies" includes the purchase price at the point of free delivery plus customs duties, excise taxes, the cost of inspection, loading and transportation, the related stores expenses, and the cost of fabricated materials from the utility's shop. In determining the cost of materials and supplies used for construction, proper allowance shall be made for unused materials and supplies for materials recovered from temporary structures used in performing the work involved, and for discounts allowed and realized in the purchase of materials and supplies.

NOTE — The cost of individual items of equipment of small value (for example, \$50 or less) or of short life, including small portable tools and implements, shall not be charged to utility plant accounts unless the correctness of the accounting therefore is verified by current inventories. The cost shall be charged to the appropriate operating expense or clearing accounts, according to the use of such items, or, if such items are consumed directly in construction work, the cost shall be included as part of the cost of the construction unit.

(4) "Transportation" includes the cost of transporting employees, materials and supplies, tools, purchased equipment, and other work equipment (when not under own power) to and from points of construction. It includes amounts paid to others as well as the cost of operating the utility's own transportation equipment. (See item 5 following.)

(5) "Special machine service" includes the cost of labor (optional), materials and supplies, depreciation, and other expenses incurred in the maintenance, operation and use of special machines, such as steam shovels, pile drivers, derricks, ditchers, scrapers, material unloaders, and other labor saving machines; also expenditures for rental, maintenance and operation of machines of others. It does not include the cost of small tools and other individual items of small value or short life which are included in the cost of materials and supplies. (See item 3, above.) When a particular construction job requires the use for an extended period of time of special machines, transportation or other equipment, the net book cost thereof, less the appraised or salvage value at time of release from the job, shall be included in the cost of construction.

(6) "Shop service" includes the proportion of the expense of the utility's shop department assignable to construction work except that the cost of fabricated materials from the utility's shop shall be included in "materials and supplies."

(7) "Protection" includes the cost of protecting the utility's property from fire or other casualties and the cost of preventing damages to others, or to the property of others, including payments for discovery or extinguishment of fires, cost of apprehending and prosecuting incendiaries, witness fees in relation thereto, amounts paid to municipalities and others for fire protection, and other analogous items of expenditures in connection with construction work.

(8) "Injuries and damages" includes expenditures or losses in connection with construction work on account of injuries to persons and damages to the property of others; also the cost of investigation of and defense against actions for such injuries and damages. Insurance recovered or recoverable on account of compensation paid for injuries to persons incident to construction shall be credited to the account or accounts to which such compensation is charged. Insurance recovered or recoverable on account of property damages incident to construction shall be credited to the account or accounts charged with the cost of the damages.

(9) "Privileges and permits" includes payments for and expenses incurred in securing temporary privileges, permits or rights in connection with construction work, such as for the use of private or public property, streets, or highways, but it does not include rents, or amounts chargeable as franchises and consents for which see account 302, Franchises and Consents.

(10) "Rents" includes amounts paid for the use of construction quarters and office space occupied by construction forces and amounts properly includible in construction costs for such facilities jointly used.

(11) "Engineering and supervision" includes the portion of the pay and expenses of engineers, surveyors, draftsmen, inspectors, superintendents and their assistants applicable to construction work.

(12) "General administration capitalized" includes the portion of the pay and expenses of the general officers and administrative and general expenses applicable to construction work.

(13) "Engineering services" includes amounts paid to other companies, firms or individuals engaged by the utility to plan, design, prepare estimates, supervise, inspect, or give general advice and assistance in connection with construction work.

(14) "Insurance" includes premiums paid or amounts provided or reserved as self-insurance for the protection against loss and damages in connection with construction, by fire or other casualty, injuries to or death of persons other than employees, damages to property of others, defalcation of employees and agents, and the nonperformance of contractual obligations of others. It does not include workmen's

compensation or similar insurance on employees included as "labor" in item 2, above.

(15) "Law expenditures" includes the general law expenditures incurred in connection with construction and the court and legal costs directly related thereto, other than law expenses included in protection, item 7, and in injuries and damages, item 8.

(16) "Taxes" includes taxes on physical property (including land) during the period of construction and other taxes properly includible in construction costs before the facilities become available for service.

(17) "Interest during construction" includes the net cost for the period of construction of borrowed funds used for construction purposes and a reasonable rate on other funds when so used. No interest charges shall be included in these accounts upon expenditures for construction projects which have been abandoned.

NOTE. — When a part only of a plant or project is placed in operation or is completed and ready for service but the construction work as a whole is incomplete, that part of the cost of the property placed in operation, or ready for service, shall be treated as "Utility Plant in Service" and interest thereon as a charge to construction shall cease. Interest on that part of the cost of the plant which is incomplete may be continued as a charge to construction until such time as it is placed in operation or is ready for service, except as limited in item 17, above.

(18) "Earnings and expenses during construction" includes (a) all revenues derived during the construction period from property which is included in the cost of a project under construction and (b) all expenses which are attributable to the revenues received.

4. Overhead construction costs

A. All overhead construction costs, such as engineering, supervision, general office salaries and expenses, construction engineering and supervision by others than the accounting utility, law expenses, insurance, injuries and damages, relief and pensions, taxes and interest, shall be charged to particular jobs or units on the basis of the amounts of such overheads reasonably applicable thereto, to the end that each job or unit shall bear its equitable proportion of such costs and that the entire cost of the unit, both direct and overhead, shall be deducted from the plant accounts at the time the property is retired.

B. As far as practicable, the determination of payroll charges includible in construction overheads shall be based on time card distributions thereof. Where this procedure is impractical, special studies shall be made periodically of the time of supervisory employees devoted to construction activities to the end that only such overhead costs as have a definite relation to construction shall be capitalized. The addition to direct construction costs of arbitrary percentages or amounts to cover assumed overhead costs is not permitted.

C. The records supporting the entries for overhead construction costs shall be so kept as to show the total amount of each overhead for each year, the nature and amount of each overhead expenditure charged to each construction work order and to each utility plant account, and the basis of distribution of such costs.

5. Utility plant purchased or sold

A. When utility plant constituting an operating unit or system is acquired by purchase, merger, consolidation, liquidation, or otherwise, after the effective date of this system of accounts, the cost of acquisition, including expenses incidental thereto properly includible in utility plant, shall be charged to account 102, Utility Plant Purchased or Sold.

B. The accounting for the acquisition, shall then be completed as follows:

(1) The original cost of plant, estimated if not known, shall be credited to account 102, Utility Plant Purchased or Sold, and concurrently charged to the appropriate utility plant in service accounts and to account 104, Utility Plant Leased to Others, account 105, Property Held For Future Use, and account 107, Construction Work in Progress, as appropriate.

(2) The requirements for accumulated provision for depreciation and amortization applicable to the original cost of the properties purchased, if required by the Commission to be recorded by the accounting utility determined with due regard to operating practices of the purchaser and his plans regarding such property, and giving consideration also to the effect on such requirements of any rehabilitation expenditures (see paragraph C), shall be charged to account 102, Utility Plant Purchased or Sold, and concurrently credited to the appropriate account for accumulated provision for depreciation or amortization.

(3) The cost to the utility of any property includible in account 121, Nonutility Property, shall be transferred thereto.

(4) The amount remaining in account 102, Utility Plant Purchased or Sold, shall then be closed to account 117, Utility Plant Acquisition Adjustments.

C. If property acquired in the purchase of an operating unit or system is in such physical condition when acquired that it is necessary substantially to rehabilitate it in order to bring the property up to the standards of the utility, the cost of such work, except replacements, shall be accounted for as part of the purchase price of the property.

D. When any property acquired as an operating unit or system includes duplicate or other plant which will be retired by the accounting utility in the reconstruction of the acquired property or its consolidation with previously owned property, the accounting for such property shall be presented to the Commission.

E. In connection with the acquisition of utility plant constituting an operating unit or system, the utility shall procure, if possible, all existing records relating to the property acquired, or certified copies thereof, and shall preserve such records in conformity with regulations or practices governing the preservation of records of its own construction.

F. When utility plant constituting an operating unit or system is sold, conveyed, or transferred to another by sale, merger, consolidation, or otherwise, the book cost of the property sold or transferred to another shall be credited to the appropriate utility plant accounts, including amounts carried in account 117, Utility Plant Acquisition Adjustments. The amounts (estimated if not known) carried with respect thereto in the accounts for accumulated provision for depreciation and amortization and in account 252, Customer Advances for Construction shall be charged to such accounts and the contra entries made to account 102, Utility Plant Purchased or Sold. Unless otherwise ordered by the Commission, the difference, if any, between (a) the net amount of debits and credits and (b) the consideration received for the property, less commissions and other expenses of making the sale, shall be included in account 411.6, Gains from Disposition of Utility Plant or account 411.7, Losses from Disposition of Utility Plant, as appropriate. (See account 102, Utility Plant Purchased or Sold.)

NOTE A. — Significant gains or losses on sale of property, as determined by the Commission, shall be transferred to account 256, Deferred Gains from Disposition of Property or account 187, Deferred Losses from Disposition of Property and amortized to accounts 411.6, gains from Disposition of Utility Plant, or 411.7, Losses from Disposition of Utility Plant, as appropriate.

NOTE B. — In cases where existing utilities merge or consolidate because of financial or operating reasons or statutory requirements rather than as a means of transferring title of purchased properties to

a new owner, the accounts of the constituent utilities, with the approval of the Commission, may be combined. In the event original cost has not been determined, the resulting utility shall proceed to determine such cost as outlined herein.

6. Expenditures on leased property

A. The cost of substantial initial improvements (including repairs, rearrangements, additions, and betterments) made in the course of preparing for utility service property leased for a period of more than one year, and the cost of subsequent substantial additions, replacements, or betterments to such property, shall be charged to the utility plant account appropriate for the class of property leased. If the service life of the improvements is terminable by action of the lease, then the cost, less net salvage, of the improvements shall be spread over the life of the lease by charges to account 404, Amortization of Limited Term Utility Plant. However, if the service life is not terminated by action of the lease but by depreciation proper, then the cost of the improvements, less net salvage, shall be accounted for as depreciable plant.

B. If improvements made to property leased for a period of more than one year are of relatively minor cost, or if the lease is for a period of not more than one year, the cost of the improvements shall be charged to the account in which the rent is included either directly or by amortization thereof.

7. Land and land rights

A. The accounts for land and land rights include the cost of land owned in fee by the utility and rights, interests, and privileges held by the utility in land owned by others, such as leaseholds, easements, diversion rights, submersion rights, rights of way, and other like interests in land.

B. Where special assessments for public improvements provide for deferred payments, the full amount of the assessments shall be charged to the appropriate land account and the unpaid balance shall be carried in an appropriate liability account. Interest on unpaid balances shall be charged to the appropriate interest account. If any part of the cost of public improvements is included in the general tax levy, the amount thereof shall be charged to the appropriate tax account.

C. The net profit from the sale of timber, cord wood, or other property acquired with rights of way or other lands shall be credited to the appropriate land and land rights or clearing land account. Where land is held for a considerable period of time and timber on the land at the time of purchase increases in value, the net profit (after giving effect to the cost of the timber) from the sales of timber or its products shall be credited to account 421, Miscellaneous Nonoperating Income.

D. Separate entries shall be made for the acquisition, transfer, or retirement of each parcel of land, and each land right (except rights of way for distribution lines), having a life of more than one year. A record shall be maintained showing the nature of ownership, full legal description, area, map reference, purpose for which used, city, county, and tax district in which situated, from whom purchased or to whom sold, payment given or received, other costs, contract date and number, date of recording of deed, and book and page of record. Entries transferring or retiring land or land rights shall refer to the original entry recording its acquisition.

E. Any difference between the amount received from the sale of land or land rights, less agent's commissions and other costs incident to the sale, and the book cost of such land or land rights, shall be included in account 411.6, Gains from Disposition of Utility Plant, or account 411.7, losses from Disposition of Utility Plant, Provided such property is recorded in accounts 101-104. If the property being disposed of is recorded in account 105, Property Held for Future Use, or account

121, Nonutility Property; but had previously been recorded in one of the aforementioned utility plant accounts, gains or losses on its sale shall be credited or charged to account 411.6 or 411.7, as appropriate, otherwise to account 421.1, Gain on Disposition of Property, or account 421.2, Loss on Disposition of Property, unless a reserve therefor has been authorized and provided.

NOTE—Significant gains or losses on sale of property, as determined by the Commission, shall be transferred to account 256, Deferred Gains from Disposition of Property, or account 187, Deferred Losses from Disposition of Property; and amortized to account 411.6, Gains from Disposition of Utility Plant, 411.7, Losses from Disposition of Utility Plant, 421.1, Gain on Disposition of Property or 421.2, Loss on Disposition of Property, as appropriate.

F. The cost of buildings and other improvements (other than public improvements) shall not be included in the land accounts. If at the time of acquisition of any interest in land such interest extends to buildings or other improvements (other than public improvements), which are then devoted to utility operations, the land and improvements shall be separately appraised and the cost allocated to land and buildings or improvements on the basis of the appraisals. If the improvements are removed or wrecked without being used in operations, the cost of removing or wrecking shall be charged and the salvage credited to the account in which the cost of the land is recorded.

G. When the purchase of land for utility operations requires the purchase of more land than needed for such purposes, the charge to the specific land account shall be based upon the cost of the land purchased, less the fair market value of that portion of the land which is not to be used in utility operations. The portion of the cost measured by the fair market value of the land not to be used shall be included in account 105, Property Held for Future Use, or account 121, Nonutility Property, as appropriate.

H. Provision shall be made for amortizing amounts carried in the accounts for limited-term interests in land so as to apportion equitably the cost of each interest over the life thereof. (See account 114, Accumulated Provision for Amortization of Utility Plant in Service, and account 404, Ammortization of Limited-Term Utility Plant.)

I. The items of cost to be included in the accounts for land and land rights are as follows:

1. Bulkheads, buried, not requiring maintenance or replacement.
2. Cost, first, of acquisition including mortgages and other liens assumed (but not subsequent interest thereon.)
3. Clearing (first cost) the land of brush, trees, and debris.
4. Condemnation proceedings, including court and counsel costs.
5. Consents and abutting damages, payment for.
6. Conveyancers' and notaries' fees.
7. Fees, commissions, and salaries to brokers, agents, and others in connection with the acquisition of the land or land rights.
8. Grading the land, except when directly occasioned by the building of a structure.
9. Leases, cost of voiding upon purchase to secure possession of land.
10. Removing, relocating, or reconstructing property of others, such as buildings, highways, railroads, bridges, cemeteries, churches, telephone and power lines, etc., in order to acquire quiet possession.
11. Retaining walls unless identified with structures.
12. Special assessments levied by public authorities for public improvements on the basis of benefits for new roads, new bridges, new sewers, new curbing, new

pavements, and other public improvements, but not taxes levied to provide for the maintenance of such improvements.

13. Surveys in connection with the acquisition, but not amounts paid for topographical surveys and maps where such costs are attributable to structures or plant equipment erected or to be erected or installed on such land.

14. Taxes assumed, accrued to date of transfer of title.

15. Title, examining, clearing, insuring, and registering in connection with the acquisition and defending against claims relating to the period prior to the acquisition.

16. Appraisals prior to closing title.

17. Cost of dealing with distributees or legatees residing outside of the state or county, such as recording power of attorney, recording will or exemplification of will, recording satisfaction of state tax.

18. Filing satisfaction of mortgage.

19. Documentary stamps.

20. Photographs of property at acquisition.

21. Fees and expenses incurred in the acquisition of water rights, and grants.

22. Cost of fill to extend bulkhead line over land under water, where riparian rights are held, which is not occasioned by the erection of a structure.

23. Sidewalks and curbs constructed by the utility on public property.

24. Labor and expenses in connection with securing rights of way, where performed by company employees and company agents.

8. Structures and improvements

A. The accounts for structures and improvements include the cost of all buildings and facilities to house, support, or safeguard property or persons, including all fixtures permanently attached to and made a part of buildings and which cannot be removed therefrom without cutting into the walls, ceilings, or floors, or without in some way impairing the buildings, and improvements of a permanent character on or to land.

B. The cost of specially provided foundations not intended to outlast the machinery or apparatus for which provided, and the cost of angle irons, casting, etc., installed at the base of an item of equipment, shall be charged to the same account as the cost of the machinery, apparatus, or equipment.

C. Minor buildings and structures may be considered a part of the facility in connection with which constructed or operated and the cost thereof accounted for accordingly when the nature of the structure and facility indicates the correctness of such accounting.

D. Where furnaces and boilers are used primarily for furnishing steam for some particular department and only incidentally for furnishing steam for heating a building and operating the equipment therein, the entire cost of such furnaces and boilers shall be charged to the appropriate plant account, and no part to the building account.

E. The cost of disposing of materials excavated in connection with construction of structures shall be considered as a part of the cost of such work, except as follows: (a) When such material is used for filling, the cost of loading, hauling, and dumping shall be equitably apportioned between the work in connection with which the removal occurs and the work in connection with which the material is used; (b) when such material is sold, the net amount realized from such sales shall be credited to the work in connection with which the removal occurs. If the amount realized from the sale of excavated materials exceeds the removal costs and the costs in

connection with the sale, the excess shall be credited to the land account in which the site is carried.

F. Lighting or other fixtures temporarily attached to buildings for purposes of display or demonstration shall not be included in the cost of the building but in the appropriate equipment account.

G. The items of cost to be included in the accounts for structures and improvements are as follows:

1. Architects' plans and specifications including supervision.
2. Ash pits (when located within the building).
3. Athletic field structures and improvements.
4. Boilers, furnaces, piping, wiring, fixtures, and machinery for heating, lighting, signaling, ventilating, and air conditioning systems, plumbing, vacuum cleaning systems, incinerator and smoke pipe, flues, etc.
5. Bulkheads, including dredging, riprap fill, piling, decking, concrete, fenders, etc., when exposed and subject to maintenance and replacement.
6. Chimneys.
7. Coal bins and bunkers.
8. Commissions and fees to brokers, agents, architects and others.
9. Conduit (not to be removed) with its contents.
10. Damages to abutting property during construction.
11. Docks.
12. Door checks and door stops.
13. Drainage and sewerage systems.
14. Elevators, cranes, hoists, etc., and the machinery for operating them.
15. Excavation, including shoring, bracing, bridging, refill, and disposal of excess excavated material, cofferdams around foundation, pumping water from cofferdam during construction, test borings.
16. Fences and fence curbs (not including protective fences isolating items of equipment, which should be charged to the appropriate equipment account).
17. Fire protection systems when forming a part of a structure.
18. Flagpole.
19. Floor covering (permanently attached).
20. Foundations and piers for machinery, constructed as a permanent part of a building or other item listed herein.
21. Grading and clearing when directly occasioned by the building of a structure.
22. Intrasite communication system, poles, pole fixtures, wires and cables.
23. Landscaping, lawns, shrubbery, etc.
24. Leases, voiding upon purchase, to secure possession of structures.
25. Leased property, expenditures on.
26. Lighting fixtures and outside lighting systems.
27. Mailchutes when part of a building.
28. Marquee, permanently attached to building.
29. Painting, first cost.
30. Permanent paving, concrete, brick, flagstone, asphalt, etc., within the property lines.
31. Partitions, including movable.
32. Permits and privileges.
33. Platforms, railings and gratings when constructed as a part of a structure.
34. Power boards for services to a building.
35. Refrigerating systems for general use.

36. Retaining walls except when identified with land.
37. Roadways, railroads, bridges, and trestles intrasite except railroads provided for in equipment accounts.
38. Roofs.
39. Scales, connected to and forming a part of a structure.
40. Screens.
41. Sewer systems, for general use.
42. Sidewalks, culverts, curbs and streets constructed by the utility on its property.
43. Sprinkling systems.
44. Sump pumps and pits.
45. Stacks—brick, steel, or concrete, when set on foundation forming part of general foundation and steelwork of a building.
46. Steel inspection during construction.
47. Storage facilities constituting a part of a building.
48. Storm doors and windows.
49. Subways, areaways, and tunnels, directly connected to and forming part of a structure.
50. Tanks, constructed as part of a building or as a distinct structural unit.
51. Temporary heating during construction (net cost).
52. Temporary water connection during construction (net cost).
53. Temporary shanties and other facilities used during construction (net cost).
54. Topographical maps.
55. Tunnels, intake and discharge, when constructed as part of a structure, including sluice gates, and those constructed to house mains.
56. Vaults constructed as part of a building.
57. Watchmen's sheds and clock systems (net cost when used during construction only).
58. Water basins or reservoirs.
59. Water front improvements.
60. Water supply piping, hydrants and wells.
61. Water meters and supply system for a building or for general company purposes.
62. Wharves.
63. Window shades and ventilators.
64. Yard drainage system.
65. Yard lighting system.
66. Yard surfacing, gravel, concrete, or oil. (First cost only.)

NOTE.—Structures and Improvement accounts shall be credited with the cost of coal bunkers, stacks, foundations, subways, tunnels, etc., the use of which has terminated with the removal of the equipment with which they are associated even though they have not been physically removed.

9. Equipment

A. The cost of equipment chargeable to the utility plant accounts, unless otherwise indicated in the text of an equipment account, includes the net purchase price thereof, sales taxes, investigation and inspection expenses necessary to such purchase, expenses of transportation when borne by the utility, labor employed, materials and supplies consumed, and expenses incurred by the utility in unloading and placing the equipment in readiness to operate.

B. Exclude from equipment accounts hand and other portable tools which are likely to be lost or stolen or which have relatively small value (for example, \$50 or less) or short life, unless the correctness of the accounting therefor as utility plant

is verified by current inventories. Special tools acquired and included in the purchase price of equipment shall be included in the appropriate plant account. Portable drills and similar tool equipment when used in connection with the operation and maintenance of a particular plant or department, such as pumping, transmission and distribution, etc., or in "stores," shall be charged to the plant account appropriate for their use.

C. The equipment accounts shall include angle irons and similar items which are installed at the base of an item of equipment, but piers and foundations which are designed to be as permanent as the buildings which house the equipment, or which are constructed as a part of the building and which cannot be removed without cutting into the walls, ceilings or floors or without in some way impairing the building, shall be included in the building accounts.

D. The equipment accounts shall include the necessary costs of testing or running a plant or part thereof during an experimental or test period prior to becoming available for service. The utility shall furnish the Commission with full particulars of and justification for any test or experimental run extending beyond a period of thirty days.

E. The cost of efficiency or other tests made subsequent to the date equipment becomes available for service shall be charged to the appropriate expense accounts, except that tests to determine whether equipment meets the specifications and requirements as to efficiency, performance, etc., guaranteed by manufacturers, made after operations have commenced and within the period specified in the agreement or contract of purchase, may be charged to the appropriate utility plant account.

10. Additions and retirements of utility plant

A. For the purpose of avoiding undue refinement in accounting for additions to and retirements and replacements of utility plant, all property shall be considered as consisting of (1) retirement units and (2) minor items of property. Each utility shall use such list of retirement units as is in use by it at the effective date hereof or as may be prescribed by the Commission, with the option, however, of using smaller units, provided the utility's practice in this respect is consistent.

B. The addition and retirement of retirement units shall be accounted for as follows:

(1) When a retirement unit is added to the utility plant, the cost thereof shall be added to the appropriate utility plant account, except that when units are acquired in the acquisition of any utility plant constituting an operating system, they shall be accounted for as provided in utility plant instruction 5.

(2) When a retirement unit is retired from utility plant, with or without replacement, the book cost thereof shall be credited to the utility plant account in which it is included, determined in the manner set forth in paragraph D, below. If the retirement unit is of a depreciable class, the book cost of the unit retired and credited to utility plant shall be charged to the accumulated provision for depreciation applicable to such property. The cost of removal and the salvage shall be charged or credited, as appropriate, to such depreciation account.

C. The addition and retirement of minor items of property shall be accounted for as follows:

(1) When a minor item of property which did not previously exist is added to plant, the cost thereof shall be accounted for in the same manner as for the addition of a retirement unit, as set forth in paragraph B (1), above, if a substantial addition results, otherwise the charge shall be to the appropriate maintenance expense account.

(2) When a minor item of property is retired and not replaced, the book cost thereof shall be credited to the utility plant account in which it is included; and, in

the event the minor item is a part of a depreciable plant, the account for accumulated provision for depreciation shall be charged with the book cost and cost of removal and credited with the salvage. If, however, the book cost of the minor item retired and not replaced has been or will be accounted for by its inclusion in the retirement unit of which it is a part when such unit is retired, no separate credit to the property account is required when such minor item is retired.

(3) When a minor item of depreciable property is replaced independently of the retirement unit of which it is a part, the cost of replacement shall be charged to the maintenance account appropriate for the item, except that if the replacement effects a substantial betterment (the primary aim of which is to make the property affected more useful, more efficient, of greater durability, or of greater capacity), the access cost of the replacement over the estimated cost at current prices of replacing without betterment shall be charged to the appropriate utility plant account.

D. The book cost of the utility plant retired shall be the amount at which such property is included in the utility plant accounts, including all components of construction costs. The book cost shall be determined from the utility's records and if this cannot be done, it shall be estimated. When it is impracticable to determine the book cost of each unit, due to the relatively large number or small cost thereof, an appropriate average book cost of the units, with due allowance for any differences in size and character, shall be used as the book cost of the units retired.

E. The book cost of land retired shall be credited to the appropriate land account. If the land is sold, the difference between the book cost, less any accumulated provision for amortization therefor which has been authorized and provided, and the sale price of the land, less commissions and other expenses of making the sale, shall be included in account 411.6, Gains from Disposition of Utility Plant or account 411.7, Losses from Disposition of Utility Plant, when such property is included in accounts 101-104. If at the time of sale such property is classified in account 105, Property Held for Future Use, or account 121, Nonutility Property; but had previously been classified in the aforementioned utility plant accounts, gains or losses on its sale shall be charged or credited to account 411.6 or 411.7, as appropriate, otherwise to account 421.1, Gain on Disposition of Property or account 421.2, Loss on Disposition of Property, unless otherwise authorized by the Commission. If the land is not used in utility service but is retained by the utility, the book cost shall be charged to account 105, Property Held for Future Use, or account 121, Nonutility Property, as appropriate.

NOTE.—Significant gains or losses on sale of property, as determined by the Commission, shall be transferred to account 256, Deferred Gains from Disposition of Property, or account 187, Deferred Losses from Disposition of Property; and amortized to accounts 411.6, Gains from Disposition of Utility Plant, 411.7, Losses from Disposition of Utility Plant, 421.1, Gain on Disposition of Property or 421.2, Loss on Disposition of Property, as appropriate.

F. The book cost less net salvage of depreciable utility plant retired shall be charged in its entirety to account 111, Accumulated Provision for Depreciation of Utility Plant in Service. Any amounts which, by approval or order of the Commission, are charged to account 182, Extraordinary Property Losses, shall be credited to account 111, Accumulated Provision for Depreciation of Utility Plant in Service.

G. The accounting for the retirement of amounts included in account 302, Franchises and Consents, and account 303, Miscellaneous Intangible Plant, and the items of limited-term interest in land included in the accounts for land and land rights shall be as provided for in the text of account 114, Accumulated Provision for

Amortization of Utility Plant in Service, account 404, Amortization of Limited-Term Utility Plant and account 405, Amortization of Other Utility Plant.

11. Work order and property record system required

A. Each utility shall record all construction and retirements of utility plant by means of work orders or job orders. Separate work orders may be opened for additions to and retirements of utility plant or the retirements may be included with the construction work order, provided, however, that all items relating to the retirements shall be kept separate from those relating to construction and provided, further, that any maintenance costs involved in the work shall likewise be segregated.

B. Each utility shall keep its work order system so as to show the nature of each addition to or retirement of utility plant, the total cost thereof, the source or sources of costs, and the utility plant account or accounts to which charged or credited. Work orders covering jobs of short duration may be cleared monthly.

C. Each utility shall maintain records in which, for each plant account, the amounts of the annual additions and retirements are classified so as to show the number and the cost of the various retirement units or other appropriate record units included therein.

12. Transfers of property

When property is transferred from one account for utility plant to another, from one utility department to another, such as from water to gas, from one operating division or area to another, to or from accounts 101, Utility Plant in Service Classified, 104, Utility Plant Leased to Others, 105, Property Held for Future Use, and 121, Nonutility Property, the transfer shall be recorded by transferring the original cost thereof from the one account, department, or location to the other. Any related amounts carried in the accounts for accumulated provision for depreciation or amortization shall be transferred in accordance with the segregation of such accounts.

13. Common utility plant

A. If the utility is engaged in more than one utility service such as CATV, water, electric and gas, and any of its utility plant is used in common for several utility services or for other purposes to such an extent and in such manner that it is impracticable to segregate it by utility services currently in the accounts, such property with the approval of the Commission, may be designated and classified as "common utility plant."

B. Utility plant designated as common utility plant shall be classified according to the detailed utility plant accounts appropriate for the property.

C. The utility shall be prepared to show at any time and to report to the Commission annually, or more frequently, if required, and by utility plant accounts (301 to 399) the following: (1) the book cost of common utility plant, (2) the allocation of such cost to the respective departments using the common utility plant, and (3) the basis of the allocation.

D. The accumulated provision for depreciation and amortization of the utility shall be segregated so as to show the amount applicable to the property classified as common utility plant.

E. The expenses of operation, maintenance, rent, depreciation and amortization of common utility plant shall be recorded in the accounts prescribed herein but

designated as common expenses, and the allocation of such expenses to the departments using the common utility plant shall be supported in such manner as to reflect readily the basis of allocation used.

14. Multiple use plant

Land, rights of way and structures used jointly for several functions, such as for transmitting and distribution purposes, shall be classified according to the major use thereof.

Part 4

OPERATING EXPENSE INSTRUCTIONS

1. Supervision and engineering

The supervision and engineering includible in the operating expense accounts shall consist of the pay and expenses of superintendents, engineers, clerks, other employees and consultants engaged in supervising and directing the operations and maintenance of each utility function. Wherever allocations are necessary in order to arrive at the amount to be included in any account, the method and basis of allocation shall be reflected by underlying records.

ITEMS

LABOR:

1. Special tests to determine efficiency of equipment operation.
2. Preparing or reviewing budgets, estimates, and drawings relating to operation or maintenance for department approval.
3. Preparing instructions for operations and maintenance activities.
4. Reviewing and analyzing of operating results.
5. Establishing organizational setup of departments and executing changes therein.
6. Formulating and reviewing routines of departments and executing changes therein.
7. General training and instruction of employees by supervisors whose pay is chargeable hereto. Specific instruction and training in a particular type of work is chargeable to the appropriate functional account.
8. Secretarial work for supervisory personnel, but not general clerical and stenographic work chargeable to other accounts.

EXPENSES:

9. Consultants' fees and expenses.
10. Meals, traveling and incidental expenses.

2. Maintenance

A. The cost of maintenance chargeable to the various operating expense and clearing accounts includes labor, materials, overheads and other expenses incurred in maintenance work. A list of work operations applicable generally to utility plant is included hereunder.

B. Materials recovered in connection with the maintenance of property shall be credited to the same account to which the maintenance cost was charged.

C. If the book cost of any property is carried in account 102, Utility Plant Purchased or Sold, the cost of maintaining such property shall be charged to the accounts for maintenance of property of the same class and use, the book cost of

which is carried in other utility plant in service accounts. Maintenance of property leased from others shall be treated as provided in operating expense instruction 3.

ITEMS

1. Direct field supervision of maintenance.
2. Inspecting, testing, and reporting on condition of plant specifically to determine the need for repairs, replacements, rearrangements and changes and inspecting and testing the adequacy of repairs which have been made.
3. Work performed specifically for the purpose of preventing failure, restoring serviceability or maintaining life of plant.
4. Rearranging and changing the location of plant not retired.
5. Repairing for reuse materials recovered from plant.
6. Testing for, locating and clearing trouble.
7. Net cost of installing, maintaining, and removing temporary facilities to prevent interruptions in service.
8. Replacing or adding minor items of plant which do not constitute a retirement unit. (See utility plant instruction 10.)

3. Rents

A. The rent expense accounts provided under the several functional groups of expense accounts shall include all rents, including taxes paid by the lessee on leased property, for property used in utility operations, except (1) minor amounts paid for occasional or infrequent use of any property or equipment and all amounts paid for use of equipment that, if owned, would be includible in plant accounts 391 to 398, inclusive, which shall be treated as an expense item and included in the appropriate functional account and (2) rents which are chargeable to clearing accounts, and distributed therefrom to the appropriate account. If rents cover property used for more than one function, or by more than one department, the rents shall be apportioned to the appropriate rent expense or clearing accounts of each department on an actual, or, if necessary, an estimated basis.

B. When a portion of property or equipment rented from others for use in connection with utility operations is subleased, the revenue derived from such subleasing shall be credited to the rent revenue account in operating revenues; provided, however, that in case the rent was charged to a clearing account, amounts received from subleasing the property shall be credited to such clearing account.

C. The cost, when incurred by the lessee, of operating and maintaining leased property, shall be charged to the accounts appropriate for the expense if the property were owned.

D. The cost incurred by the lessee of additions and replacements to utility plant leased from others shall be accounted for as provided in utility plant instruction 6.

NOTE.—The aggregate of the rents included in the functional operating expense accounts shall be included in the income statement in account 401, Operation Expense. However, where the rents are significant in amount, the aggregate thereof shall be shown separately in the income statement.

Part 5

BALANCE SHEET ACCOUNTS

1. Utility Plant

101. Utility plant in service classified

A. This account shall include the original cost of utility plant, included in the plant accounts prescribed herein and in similar accounts for other utility departments,

owned and used by the utility in its utility operations, and having an expectation of life in service of more than one year from date of installation, including such property owned by the utility but held by nominees. Separate subaccounts shall be maintained hereunder for each utility department.

B. The cost of additions to and betterments of property leased from others, which are includible in this account, shall be recorded in subdivisions separate and distinct from those relating to owned property. (See utility plant instruction 6.)

102. Utility plant purchased or sold

A. This account shall be charged with the cost of utility plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise, and shall be credited with the selling price of like property transferred to others pending the distribution to appropriate accounts in accordance with utility plant instruction 5.

B. Within six months from the date of acquisition or transfer of property recorded herein, the utility shall file with the Commission the proposed journal entries to clear from this account the amounts recorded herein.

103. Utility plant in process of reclassification

A. This account shall include temporarily the balance of utility plant which has not yet been reclassified as of the effective date of this system of accounts. The detailed or primary accounts in support of this account employed prior to such date shall be continued pending reclassification into the utility plant accounts herein prescribed (301399), but shall not be used for additions, betterments, or new construction.

B. No charges other than as provided in paragraph A, above, shall be made to this account, but retirements of such unclassified utility plant shall be credited hereto and to the supporting (old) fixed capital accounts until the reclassification shall have been accomplished.

104. Utility plant leased to others

A. This account shall include the original cost of utility plant owned by the utility, but leased to others as operating units or systems, where the lessee has exclusive possession.

B. The property included in this account shall be classified according to the detailed accounts prescribed for utility plant in service and this account shall be maintained in such detail as though the property were used by the owner in its utility operations.

105. Property held for future use

A. This account shall include the original cost of property owned and held for future use in utility service under a definite plan for such use. There shall be included herein property acquired but never used by the utility in utility service, but held for such service in the future under a definite plan, and property previously used by the utility in utility service, but retired from such service and held pending its reuse in the future, under a definite plan, in utility service.

B. The property included in this account shall be classified according to the detailed accounts prescribed for utility plant in service and the account shall be maintained in such detail as though the property were in service. Separate subaccounts shall be maintained hereunder for each utility department for which plant is held for future use.

NOTE. — Materials and supplies and normal spare capacity of plant in service shall not be included in this account.

106. Completed construction not classified

At the end of the year or such other date as a balance sheet may be required by the Commission, this account shall include the total of the balances of work orders for utility plant which has been completed and placed in service but which work orders have not been classified for transfer to the detailed utility plant accounts.

107. Construction work in progress

A. This account shall include the total of the balances of work orders for utility plant in process of construction but not ready for service at the date of the balance sheet.

B. Work orders shall be cleared from this account as soon as practicable after completion of the job. Further, if a project is designed to consist of two or more units which may be placed in service at different dates, any expenditures which are common to and which will be used in the operation of the project as a whole shall be included in utility plant in service upon the completion and the readiness for service of the first unit. Any expenditures which are identified exclusively with units of property not yet in service shall be included in this account.

NOTE. — See also account 106, Completed Construction Not Classified.

111. Accumulated provision for depreciation of utility plant in service

A. This account shall be credited with the following:

(1) Amounts charged to account 403, Depreciation Expense, to account 416, Costs and Expenses of Merchandising, Jobbing, and Contract Work, or to clearing accounts for current depreciation expense.

(2) Amounts of depreciation applicable to utility properties acquired as operating units or systems. (See utility plant instruction 5.)

(3) Amounts charged to account 182, Extraordinary Property Losses, when authorized by the Commission.

(4) Amounts of depreciation applicable to utility plant donated to the utility.

B. At the time of retirement of depreciable utility plant in service, this account shall be charged with the book cost of the property retired and the cost of removal, and shall be credited with the salvage value and any other amounts recovered, such as insurance. When retirements, cost of removal and salvage are entered originally in retirement work orders, the net total of such work orders may be included in a separate subaccount hereunder. Upon completion of the work order, the proper distribution to subdivisions of this account shall be made as provided in the following paragraph.

C. For general ledger and balance sheet purposes, this account shall be regarded and treated as a single composite provision for depreciation. For purposes of analysis, however, each utility shall maintain subsidiary records in which this account is segregated according to the utility department to which applicable. The amount applicable to utility departments shall be further subdivided to show the amount for each functional group of plant accounts. For the CATV utility department the following functional classification shall be maintained: (1) Transmitting, (2) Head End Equipment, (3) Distribution, and (4) General. These subsidiary records shall reflect the current credits and debits to this account in sufficient detail to show separately for each such functional classification (a) the amount of accrual for

depreciation, (b) the book cost of property retired, (c) cost of removal, (d) salvage, and (e) other items, including recoveries from insurance.

D. When transfers of plant are made from one utility plant account to another, or from or to nonutility property, the accounting shall be as provided in utility plant instruction 12.

E. The utility is restricted in its use of the accumulated provisions for depreciation to the purposes set forth above. It shall not divert any portion of this account to retained earnings or make any other use thereof without authorization by the Commission.

112. Accumulated provision for depreciation of utility plant leased to others

A. This account shall be credited with amounts charged to account 413, Expenses of Utility Plant Leased to Others, for currently accruing depreciation of property included in account 104, Utility Plant Leased to Others. Include, also, credits for depreciation applicable to plant acquired as operating units or systems, to plant donated to the utility or for losses transferred to account 182, Extraordinary Property Losses.

B. The requirements of account 111, Accumulated Provision for Depreciation of Utility Plant in Service, regarding retirements chargeable thereto and of subsidiary data to be maintained shall be applicable likewise to this account.

C. The utility is restricted in its use of the accumulated provisions for depreciation to the purposes set forth above. It shall not divert any portion of this account to retained earnings or make any other use thereof without authorization by the Commission.

113. Accumulated provision for depreciation of property held for future use

This account shall be credited with amounts charged to account 421, Miscellaneous Nonoperating Income, for depreciation expense on property included in account 105, Property Held for Future Use. Include, also, the balance of accumulated provision for depreciation or amortization on property which may be transferred to account 105, Property Held for Future Use, from other property accounts.

NOTE. — Normally, this account would not be used for current depreciation provisions because, as provided herein, the service life during which depreciation is computed commences with the date property is includible in utility plant in service. However, if special circumstances indicate the propriety of current accruals for depreciation, such charges shall be made to account 421, Miscellaneous Nonoperating Income.

114. Accumulated provision for amortization of utility plant in service

A. This account shall be credited with amounts charged to account 404, Amortization of Limited-Term Utility Plant, for the current amortization of limited-term utility investments. It shall be credited also with amounts which may be charged to account 405, Amortization of Other Utility Plant or to account 425, Miscellaneous Amortization, to amortize intangible or other utility plant which does not have a definite or terminable life and is not subject to charges for depreciation expense.

B. When any property to which this account applies is sold, relinquished, or otherwise retired from service, this account shall be charged with the amount previously credited in respect to such property. The book cost of the property so retired less the amount chargeable to this account and less the net proceeds realized at retirement shall be included in account 411.6, Gains from Disposition of Utility Plant, or account 411.7, Losses from Disposition of Utility Plant, as appropriate.

C. Records shall be maintained so as to show separately the balance applicable to each class of property which is being amortized.

D. The utility is restricted in its use of the accumulated provisions for amortization to the purposes set forth above. It shall not divert any portion of this account to retained earnings or make any other use thereof without authorization of the Commission.

115. Accumulated provision for amortization of utility plant leased to others

A. This account shall be credited with amounts charged to account 413, Expenses of Utility Plant Leased to Others, for the current amortization of limited-term or other investments subject to amortization included in account 104, Utility Plant Leased to Others.

B. When any property to which this account applies is sold, relinquished or otherwise retired from service, this account shall be charged with the amount previously credited in respect to such property. The book cost of the property so retired less the amount chargeable to this account and less the net proceeds realized at retirement shall be included in account 411.6, Gains from Disposition of Utility Plant, or account 411.7, Losses from Disposition of Utility Plant, as appropriate.

C. Records shall be maintained so as to show separately the balance applicable to each class of property which is being amortized.

116. Accumulated provision for amortization of property held for future use

This account shall be credited with amounts charged to account 421, Miscellaneous Nonoperating Income, for amortization expense on property included in account 105, Property Held for Future Use. Include also, the balance of accumulated provision for amortization on property which may be transferred to account 105, Property Held for Future Use, from other property accounts.

NOTE. — See also note to account 113, Accumulated Provision for Depreciation of Property Held for Future Use.

117. Utility plant acquisition adjustments

A. This account shall include the difference between (a) the cost to the accounting utility of utility plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise, and (b) the original cost, estimated, if not known, of such property, less the amount or amounts credited by the accounting utility at the time of acquisition to accumulated provisions for depreciation and amortization.

B. With respect to acquisitions after the effective date of this system of accounts, this account shall be subdivided so as to show the amounts included herein for each property acquisition and the amounts applicable to each utility department and to utility plant in service and utility plant leased to others. (See utility plant instruction 5.)

C. The amounts recorded in this account with respect to each property acquisition shall be amortized, or otherwise disposed of, as the Commission may approve or direct.

118. Accumulated provision for amortization of utility plant acquisition adjustments

This account shall be credited or debited with amounts which are includible in account 406, Amortization of Utility Plant Acquisition Adjustments, or account 425, Miscellaneous Amortization, for the purpose of providing for the extinguishment of amounts in account 117, Utility Plant Acquisition Adjustments, in instances

where the amortization of account 117 is not being made by direct write-off of the account.

119. Other utility plant adjustments

A. This account shall include the difference between the original cost, estimated if not known, and the book cost of utility plant to the extent that such difference is not properly includible in account 117, Utility Plant Acquisition Adjustments. (See utility plant instruction 1C.)

B. Amounts included in this account shall be classified in such manner as to show the origin of each amount and shall be disposed of as the Commission may approve or direct.

NOTE. — The provisions of this account shall not be construed as approving or authorizing the recording of appreciation of utility plant.

2. Other Property and Investments

121. Nonutility property

A. This account shall include the book cost of land, structures, equipment or other tangible or intangible property owned by the utility, but not used in utility service and not properly includible in account 105, Property Held for Future Use.

B. This account shall be subdivided so as to show the amount of property used in operations which are nonutility in character but nevertheless constitute a distinct operating activity of the company (such as operation of an ice department where such activity is not classed as a utility) and the amount of miscellaneous property not used in operations. The records in support of each subaccount shall be maintained so as to show an appropriate classification of the property.

122. Accumulated provision for depreciation and amortization of nonutility property

This account shall include the accumulated provision for depreciation and amortization applicable to property other than utility plant.

123. Investment in associated companies

A. This account shall include the book cost of investments in securities issued or assumed by associated companies and investment advances to such companies, including interest accrued thereon when such interest is not subject to current settlement. Include also the offsetting entry to the recording of amortization of discount or premium on interest bearing investments. (See account 419, Interest and Dividend Income.)

B. The account shall be maintained in such manner as to show the investment in securities of, and advances to, each associated company together with full particulars regarding any of such investments that are pledged.

NOTE A. — Securities and advances of associated companies owned and pledged shall be included in this account, but such securities, if held in special deposits or in special funds, shall be included in the appropriate deposit or fund account. A complete record of securities pledged shall be maintained.

NOTE B. — Securities of associated companies held as temporary each investments are includible in account 136, Temporary Cash Investments

NOTE C. — Balances in open accounts with associated companies, which are subject to current settlement, are includible in account 146, Accounts Receivable from Associated Companies.

NOTE D. — The utility may write down the cost of any security in recognition of a decline in the value thereof. Securities shall be written off or written down to a nominal value if there be no reasonable prospect of substantial value. Fluctuations in market value shall not be recorded but a permanent impairment in the value of securities shall be recognized in the accounts. When securities are written off or written down, the amount of the adjustment shall be charged to account 426, Misc. Income

Deduction, or to an appropriate account for provisions for loss in value established as a separate subdivision of this account.

124. Other investments

A. This account shall include the book cost of investments in securities issued or assumed by nonassociated companies, investment advances to such companies, and any investments not accounted for elsewhere. Include also the offsetting entry to the recording of amortization of discount or premium on interest bearing investments. (See account 419, Interest and Dividend Income.)

B. The cost of capital stock of the utility reacquired by it under a definite plan for resale pursuant to authorization by the Board of Directors may, if permitted by statutes, be included in a separate subdivision of this account. (See also account 217, Reacquired Capital Stock.)

C. The records shall be maintained in such manner as to show the amount of each investment and the investment advances to each person.

NOTE A. — Securities owned and pledged shall be included in this account, but securities held in special deposit or in special funds shall be included in appropriate deposit or fund accounts. A complete record of securities pledged shall be maintained.

NOTE B. — Securities held as temporary each investments shall not be included in this account.

NOTE C. — See note D of account 123.

125. Sinking funds

This account shall include the amount of cash and book cost of investments held in sinking funds. A separate account, with appropriate title, shall be kept for each sinking fund. Transfers from this account to account 134, Other Special Deposits, may be made as necessary for the purpose of paying matured sinking-fund obligations, or obligations called for redemption but not presented, or the interest thereon.

126. Depreciation fund

This account shall include the amount of cash and the book cost of investments which have been segregated in a special fund for the purpose of identifying such assets with the accumulated provisions for depreciation.

128. Other special funds

This account shall include the amount of cash and book cost of investments which have been segregated in special funds for insurance, employee pensions, savings, relief hospital, and other purposes not provided for elsewhere. A separate account, with appropriate title, shall be kept for each fund.

NOTE. — Amounts deposited with a trustee under the terms of an irrevocable trust agreement for pensions or other employee benefits shall not be included in this account.

3. Current and Accrued Assets

Current and accrued assets are cash, those assets which are readily convertible into cash or are held for current use in operations or construction, current claims against others, payment of which is reasonably assured, and amounts accruing to the utility which are subject to current settlement, except such items for which accounts other than those designated as current and accrued assets are provided. There shall not be included in the group of accounts designated as current and accrued assets any item, the amount or collectibility of which is not reasonably assured, unless an adequate provision for possible loss has been made therefor.

Items of current character but of doubtful value may be written down and for record purposes carried in these accounts at nominal value.

131. Cash

This account shall include the amount of current cash funds except working funds.

132. Interest special deposits

This account shall include special deposits with fiscal agents or others for the payment of interest.

133. Dividend special deposits

This account shall include special deposits with fiscal agents or others for the payment of dividends.

134. Other special deposits

This account shall include deposits with fiscal agents or others for special purposes other than the payment of interest and dividends. Such special deposits may include cash deposited with federal, state, or municipal authorities as a guaranty for the fulfillment of obligations; cash deposited with trustees to be held until mortgaged property sold, destroyed, or otherwise disposed of is replaced; cash realized from the sale of the accounting utility's securities and deposited with trustees to be held until invested in property of the utility, etc. Entries to this account shall specify the purpose for which the deposit is made.

NOTE. — Assets available for general corporate purposes shall not be included in this account. Further, deposits for more than one year, which are not offset by current liabilities, shall not be charged to this account but to account 128, Other Special Funds.

135. Working funds

This account shall include cash advanced to officers, agents, employees, and others as petty cash or working funds.

136. Temporary cash investments

A. This account shall include the book cost of investments, such as demand and time loans, bankers' acceptances, United States Treasury certificates, marketable securities, and other similar investments, acquired for the purpose of temporarily investing cash.

B. This account shall be so maintained as to show separately temporary cash investments in securities of associated companies and of others. Records shall be kept of any pledged investments.

141. Notes receivable

This account shall include the book cost, not includible elsewhere, of all collectible obligations in the form of notes receivable and similar evidences (except interest coupons) of money due on demand or within one year from the date of issue, except, however, notes receivable from associated companies. (See account 136, Temporary Cash Investments, and account 145, Notes Receivable from Associated Companies.)

NOTE. — The face amount of notes receivable discounted, sold or transferred, without releasing the utility from liability as endorser thereon, shall be credited to a separate subdivision of this account and appropriate disclosure shall be made in financial statements of any contingent liability arising from such transactions.

142. Customer accounts receivable

A. This account shall include amounts due from customers for utility service, and for merchandising, jobbing and contract work. This account shall not include amounts due from associated companies.

B. This account shall be maintained so as to permit ready segregation of amounts due for merchandising, jobbing and contract work.

143. Other accounts receivable

A. This account shall include amounts due the utility upon open accounts, other than amounts due from associated companies and from customers for utility services and merchandising, jobbing and contract work.

B. This account shall be maintained so as to show separately amounts due on subscriptions to capital stock and from officers and employees, but the account shall not include amounts advanced to officers or others as working funds. (See account 135, Working Funds.)

144. Accumulated provision for uncollectible accounts—cr.

A. This account shall be credited with amounts provided for losses on accounts receivable which may become uncollectible, and also with collections on accounts previously charged hereto. Concurrent charges shall be made to account 904, Uncollectible Accounts, for amounts applicable to utility operations, and to corresponding accounts for other operations. Records shall be maintained so as to show the write-offs of accounts receivable for each utility department.

B. This account shall be subdivided to show the provision applicable to the following classes of accounts receivable:

Utility Customers

Merchandising, Jobbing and Contract Work

Officers and Employees

Other

NOTE A. — Accretions to this account shall not be made in excess of a reasonable provision against losses of the character provided for.

NOTE B. — If provisions for uncollectible notes receivable or for uncollectible receivables from associated companies are necessary, separate subaccounts therefor shall be established under the account in which the receivable is carried.

145. Notes receivable from associated companies

146. Accounts receivable from associated companies

These accounts shall include notes and drafts upon which associated companies are liable, and which mature and are expected to be paid in full not later than one year from date of issue, together with any interest thereon, and debit balances subject to current settlement in open accounts with associated companies. Items which do not bear a specified due date but which have been carried for more than twelve months and items which are not paid within twelve months from due date shall be transferred to account 123, Investment in Associated Companies.

NOTE A. — On the balance sheet, accounts receivable from an associated company may be set off against accounts payable to the same company.

NOTE B. — The face amount of notes receivable discounted, sold or transferred without releasing the utility from liability as endorser thereon, shall be credited to a separate subdivision of this account and appropriate disclosure shall be made in financial statements of any contingent liability arising from such transactions.

154. Plant materials and operating supplies

A. This account shall include the cost of materials purchased primarily for use in the utility business for construction, operation and maintenance purposes. It shall include also the book cost of materials recovered in connection with construction,

maintenance or the retirement of property, such materials being credited to construction, maintenance or accumulated depreciation provision, respectively, and included herein as follows:

(1) Reusable materials consisting of large individual items shall be included in this account at original cost, estimated if not known. The cost of repairing such items shall be charged to the maintenance account appropriate for the previous use.

(2) Reusable materials consisting of relatively small items, the identity of which (from the date of original installation to the final abandonment or sale thereof) cannot be ascertained without undue refinement in accounting, shall be included in this account at current prices new for such items. The cost of repairing such items shall be charged to the appropriate expense account as indicated by previous use.

(3) Scrap and nonusable materials included in this account shall be carried at the estimated net amount realizable therefrom. The difference between the amounts realized for scrap and nonusable materials sold and the net amount at which the materials were carried in this account, as far as practicable, shall be adjusted to the accounts credited when the materials were charged to this account.

B. Materials and supplies issued shall be credited hereto and charged to the appropriate construction, operating expense, or other account on the basis of a unit price determined by the use of cumulative average, first-in-first-out, or such other method of inventory accounting as conforms with accepted accounting-standards consistently applied.

ITEMS

1. Invoice price of materials less cash or other discounts.
2. Freight, switching or other transportation charges when practicable to include as part of the cost of particular materials to which they relate.
3. Customs duties and excise taxes.
4. Costs of inspection and special tests prior to acceptance.
5. Insurance and other directly assignable charges.

NOTE. — Where expenses applicable to materials purchased cannot be directly assigned to particular purchase, they shall be charged to account 163, Stores Expense.

155. Merchandise

This account shall include the book cost of materials and supplies held primarily for merchandising, jobbing and contract work. The principles prescribed in accounting for utility materials and supplies shall be observed in respect to items carried in this account.

156. Other materials and supplies

This account shall include the book cost of materials and supplies held primarily for nonutility purposes. The principles prescribed in accounting for utility materials and supplies shall be observed in respect to items carried in this account.

163. Stores expense

A. This account shall include the cost of supervision, labor and expenses incurred in the operation of general storerooms, including purchasing, storage, handling and distribution of materials and supplies.

B. This account shall be cleared by adding to the cost of materials and supplies issued a suitable loading charge which will distribute the expense equitably over stores issues. The balance in the account at the close of the year shall not exceed

the amount of stores expenses reasonably attributable to the inventory of materials and supplies.

ITEMS

LABOR:

1. Inspecting and testing materials and supplies when not assignable to specific items.
2. Unloading from shipping facility and putting in storage.
3. Supervision of purchasing and stores department to extent assignable to materials handled through stores.
4. Getting materials from stock and in readiness to go out.
5. Inventorying stock received or stock on hand by stores employees but not including inventories by general department employees as part of internal or general audits.
6. Purchasing department activities in checking material needs, investigating sources of supply, analyzing prices, preparing and placing orders, and related activities to extent applicable to materials handled through stores. (Optional. Purchasing department expenses may also be included in administrative and general expenses.)
7. Maintaining stores equipment.
8. Cleaning and tidying storerooms and stores offices.
9. Keeping stock records, including recording and posting of material receipts and issues and maintaining inventory record of stock.
10. Collecting and handling scrap materials in stores.

SUPPLIES AND EXPENSES:

11. Adjustments of inventories of materials and supplies but not including large differences which can readily be assigned to important classes of materials and can be equitably distributed among the accounts to which such classes of materials have been charged since the previous inventory.
12. Cash and other discounts not practically assignable to specific materials.
13. Freight, express, etc., when not assignable to specific items.
14. Heat, light and power for storerooms and store offices.
15. Brooms, brushes, sweeping compounds and other supplies used in cleaning and tidying storerooms and stores offices.
16. Injuries and damages.
17. Insurance on materials and supplies and on stores equipment.
18. Losses due to breakage, leakage, evaporation, fire or other causes, less credits for amounts received from insurance, transportation companies or others in compensation of such losses.
19. Postage, printing, stationery and office supplies.
20. Rent of storage space and facilities.
21. Communication service.
22. Excise and other similar taxes not assignable to special materials.
23. Transportation expense on inward movement of stores and on transfer between storerooms but not including charges on materials recovered from retirements which shall be accounted for as part of cost of removal.

NOTE. — A physical inventory of each class of materials and supplies shall be made at least every two years.

165. Prepayments

This account shall include amounts representing prepayments of insurance, rents, taxes, interest and miscellaneous items, and shall be kept or supported in such manner as to disclose the amount of each class of prepayment.

171. Interest and dividends receivable

This account shall include the amount of interest on bonds, mortgages, notes, commercial paper, loans, open accounts, deposits, etc., the payment of which is reasonably assured and the amount of dividends declared or guaranteed on stocks owned.

NOTE A. — Interest which is not subject to current settlement shall not be included herein but in the account in which is carried the principal on which the interest is accrued.

NOTE B. — Interest and dividends receivable from associated companies shall be included in account 146, Accounts Receivable from Associated Companies.

172. Rents receivable

This account shall include rents receivable or accrued on property rented or leased by the utility to others.

NOTE. — Rents receivable from Associated Companies shall be included in account 146, Accounts Receivable from Associated Companies.

173. Accrued utility revenues

At the option of the utility, the estimated amount accrued for service rendered, but not billed at the end of any accounting period, may be included herein. In case accruals are made for unbilled revenues, they shall be made likewise for unbilled expenses, such as for the purchase of energy.

174. Miscellaneous current and accrued assets

This account shall include the book cost of all other current and accrued assets, appropriately designated and supported so as to show the nature of each asset included herein.

4. Deferred Debits**181. Unamortized debt discount and expense**

A. This account shall include the total of the debit balances in the discount, expense, and premium accounts for all classes of long-term debt, determined as provided in the following paragraphs of this account.

B. A discount, expense, and premium account shall be maintained for each class and series of long-term debt (including receivers' certificates) issued or assumed by the utility, in which shall be recorded the discount, expense, and premium associated with the issuance and sale of each such class and series of debt. In stating the balance sheet, the total of the debit balances remaining in those accounts having debit balances shall be reported under this account and the total of the credit balances remaining in those accounts having credit balances shall be reported under account 251, Unamortized Premium on Debt. Accounts with debit balances shall not be set off against accounts with credit balances.

C. The discount, expense, and premium shall be amortized over the life of the respective issues under a plan which will distribute the amounts equitably over the life of the securities. The amortization shall be on a monthly basis, and the amounts thereof shall be charged to account 428, Amortization of Debt Discount and Expense, or credited to account 429, Amortization of Premium on Debt—cr, as may be appropriate. The utility may, however, accelerate the writing off of discount and expense where the amounts are insignificant.

D. When any long-term debt is reacquired or redeemed without being converted into another form of long-term debt and when the transaction is not in connection with a refunding operation, the difference between the amount paid upon requirement

and the face value plus the unamortized premium or less the unamortized discount and expense, as the case may be, applicable to the debt redeemed, retired and canceled, shall be debited or credited as appropriate to account 421, Miscellaneous Nonoperating Income or account 426, Miscellaneous Income Deductions.

E. When the redemption of one issue or series of bonds or other long-term obligations is financed by another issue or series before the maturity date of the first issue, account 421, Miscellaneous Nonoperating Income or account 426, Miscellaneous Income Deductions, shall be credited or debited, as appropriate, with any unamortized discount, expense, or premium on the first issue and any premium paid or discount earned on the redemption.

If the utility desires to amortize any of the discount, expense, or premium associated with the issuance or redemption of the first issue over a period subsequent to the date of redemption, the permission of the Commission must be obtained; provided, however, that special permission of the Commission shall not be necessary, if the utility proceeds with a plan of disposition of the discount, expense, and redemption premiums associated with the refunded bonds, as follows:

(1) A special charge is recorded in the year of refunding in account 428, Amortization of Debt Discount and Expense, equal to the saving in income taxes arising from the refunding transactions;

(2) There is charged to account 426, Misc. Income Deductions, in the year of refunding, any amounts of unamortized discount and expenses or redemption premiums relating to bonds or other long-term obligations previously refunded by the refunded bonds under immediate consideration, such amounts sometimes being referred to as "grandfather items"; and,

(3) The utility proceeds to amortize by equal monthly charges, from the date of refunding, the remainder of the charges associated with the refunded bonds, over a period not longer than that in which the saving in net annual interest and amortization charges equals the remainder of charges to be amortized, after taking into consideration the estimated additional taxes on income attributable to the saving in net annual interest and amortization charges.

F. Discount, expense, or premium on debt shall not be included as part of the cost of constructing or acquiring any property, tangible or intangible, except under the provisions of account 432, Interest Charged to Construction.

182. Extraordinary property losses

A. When authorized or directed by the Commission, this account shall include extraordinary losses on property abandoned or otherwise retired from service which are not provided for by the accumulated provisions for depreciation or amortization and which could not reasonably have been foreseen and provided for, and extraordinary losses, such as unforeseen damages to property, which could not reasonably have been anticipated and which are not covered by insurance or other provisions.

B. The entire cost, less net salvage, of depreciable property retired shall be charged to accumulated provision for depreciation. If all, or a portion, of the loss is to be included in this account, the accumulated provision for depreciation shall then be credited and this account charged with the amount properly chargeable hereto.

C. Application to the Commission for permission to use the account shall be accompanied by a statement giving a complete explanation with respect to the items which it is proposed to include herein, the period over which, and the accounts to which it is proposed to write off the charges, and other pertinent information.

183. Preliminary survey and investigation charges

A. This account shall be charged with all expenditures for preliminary surveys, plans, investigations, etc., made for the purpose of determining the feasibility of

projects under contemplation. If construction results, this account shall be credited and the appropriate utility plant account charged. If the work is abandoned, the charge shall be to account 426, Misc. Income Deductions, or to the appropriate operating expense account.

B. The records supporting the entries to this account shall be so kept that the utility can furnish complete information as to the nature and the purpose of the survey, plans, or investigations and the nature and amounts of the several charges.

NOTE. — The amount of preliminary survey and investigation charges transferred to utility plant shall not exceed the expenditures which may reasonably be determined to contribute directly and immediately and without duplication to utility plant.

184. Clearing accounts

This caption shall include undistributed balances in clearing accounts at the date of the balance sheet. Balances in clearing accounts shall be substantially cleared not later than the end of the calendar year unless items held therein relate to a future period.

185. Temporary facilities

This account shall include amounts shown by work orders for plant installed for temporary use in utility service for periods of less than one year. Such work orders shall be charged with the cost of temporary facilities and credited with payments received from customers and net salvage realized on removal of the temporary facilities. Any net credit or debit resulting shall be cleared to account 451, Miscellaneous Service Revenues.

186. Miscellaneous deferred debits

A. This account shall include all debits not elsewhere provided for, such as miscellaneous work in progress, and unusual or extraordinary expenses, not included in other accounts, which are in process of amortization, and items the proper final disposition of which is uncertain.

B. The records supporting the entries to this account shall be so kept that the utility can furnish full information as to each deferred debit.

187. Deferred losses from disposition of property

This account shall include losses from the sale or other disposition of property previously recorded in accounts, 101-104; in account 105, Property Held for Future Use or account 121, Nonutility Property, where such losses are significant and are to be amortized over a period of five years, unless otherwise authorized by the Commission. The amortization of the amounts in this account shall be made by debits to account 411.7, Losses from Disposition of Utility Plant or account 421.2, Loss on Disposition of Property, as appropriate. Amounts recorded in this account shall be net of related income taxes. (See Utility Plant Instructions 5F, 7E and 10E.)

188. Deferred start-up costs

This account may be charged with the excess of start-up operating costs over revenues received during the development period of the cable television system, or segment of the system, which are to be deferred during the preoperating and/or immediate post-operating period, for later amortization. Such start-up costs, at the option of the respondent, may be expended or deferred. Deferment shall cease, and a ten-year amortization period shall begin, at the earliest of (a) two years following completion of the system, or a segment of the system, or (b) subscriber saturation reaches 25% of potential homes passed, or (c) such system condition criteria as

management may adopt, provided the deferral period is not longer than in part (a) above. Start-up costs are costs not includible in account 301, organization, account 302, franchises and consents, or account 107, construction work in progress. The amortization of the amounts in this account shall be made by debits to account 407.2, amortization of deferred start-up costs.

NOTE: Completion occurs when (a) physical construction and testing have ceased, (b) the system or segment of a system is accepted by the company, and (c) the system or segment is capable of serving at least one subscriber.

5. Proprietary Capital

COMMON CAPITAL STOCK

201. Common stock issued

202. Common stock subscribed

203. Common stock liability for conversion

PREFERRED CAPITAL STOCK

204. Preferred stock issued

205. Preferred stock subscribed

206. Preferred stock liability for conversion

201. Common stock issued

204. Preferred stock issued

A. These accounts shall include the par value or the stated value of stock without par value if such stock has a stated value, and, if not, the cash value of the consideration received for such nonpar stock, of each class of capital stock actually issued, including the par or stated value of capital stock in account 124, Other Investments, and account 217, Reacquired Capital Stock.

B. When the actual cash value of the consideration received is more or less than the par or stated value of any stock having a par or stated value, the difference shall be credited or debited, as the case may be, to the premium or discount account for the particular class and series.

C. When capital stock is retired, these accounts shall be charged with the amount at which such stock is carried herein.

D. A separate ledger account, with a descriptive title, shall be maintained for each class and series of stock. The supporting records shall show the shares nominally issued, actually issued, and nominally outstanding.

NOTE. — When a levy or assessment, except a call for payment on subscriptions, is made against holders of capital stock, the amount collected upon such levy or assessment shall be credited to account 207, Premium on Capital Stock; provided, however, that the credit shall be made to account 213, Discount on Capital Stock, to the extent of any remaining balance of discount on the issue of stock.

202. Common stock subscribed

205. Preferred stock subscribed

A. These accounts shall include the amount of legally enforceable subscriptions to capital stock of the utility. They shall be credited with the par or stated value of the stock subscribed, exclusive of accrued dividends, if any. Concurrently, a debit shall be made to subscriptions to capital stock, included as a separate subdivision

of account 143, Other Accounts Receivable, for the agreed price and any premium shall be credited to the appropriate premium account. When properly executed stock certificates have been issued representing the shares subscribed, this account shall be debited, and the appropriate capital stock account credited, with the par or stated value of such stock.

B. The records shall be kept in such manner as to show the amount of subscriptions to each class and series of stock.

203. Common stock liability for conversion

206. Preferred stock liability for conversion

A. These accounts shall include the par value or stated value, as appropriate, of capital stock which the utility has agreed to exchange for outstanding securities of other companies in connection with the acquisition of properties of such companies under terms which allow the holders of the securities of the other companies to surrender such securities and receive in return therefor capital stock of the accounting utility.

B. When the securities of the other companies have been surrendered and capital stock issued in accordance with the terms of the exchange, these accounts shall be charged and accounts 201, Common Stock Issued, or 204, Preferred Stock Issued, as the case may be, shall be credited.

C. The records shall be kept so as to show separately the stocks of each class and series for which a conversion liability exists.

207. Premium on capital stock

A. This account shall include in a separate subdivision for each class and series of stock, the excess of the actual each value of the consideration received on original issues of capital stock over the par or stated value and accrued dividends of such stock, together with assessments against stockholders representing payments required in excess of par or stated values.

B. Premium on capital stock shall not be set off against expenses. Further, a premium received on an issue of a certain class or series of stock shall not be set off against expenses of another issue of the same class or series.

C. When capital stock which has been actually issued is retired, the amount in this account applicable to the shares retired shall be transferred to account 210, Gain on Resale or Cancellation of Reacquired Capital Stock.

208. Donations received from stockholders

This account shall include the balance of credits for donations received from stockholders consisting of capital stock of the utility, of cancellation or reduction of debt of the utility, and the cash value of other assets received as a donation.

209. Reduction in par or stated value of capital stock

This account shall include the balance of credits arising from a reduction in the par or stated value of capital stock.

210. Gain on resale or cancellation of reacquired capital stock

This account shall include the balance of credits arising from the resale or cancellation of reacquired capital stock. (See account 217, Reacquired Capital Stock.)

211. Miscellaneous paid-in capital

This account shall include the balance of all other credits for paid-in capital which are not properly includible in the foregoing accounts.

NOTE. — Amounts included in capital surplus at the effective date of this system of accounts which cannot be classified as to the source thereof shall be included in this account.

212. Installments received on capital stock

A. This account shall include in a separate subdivision for each class and series of capital stock the amount of installments received on capital stock on a partial or installment payment plan from subscribers who are not bound by legally enforceable subscription contracts.

B. As subscriptions are paid in full and certificates issued, this account shall be charged and the appropriate capital stock account credited with the par or stated value of such stock. Any discount or premium on an original issue shall be included in the appropriate discount or premium account.

213. Discount on capital stock

A. This account shall include in a separate subdivision for each class and series of capital stock all discount on the original issuance and sale of capital stock, including additional capital stock of a particular class or series as well as first issues.

B. When capital stock which has been actually issued is retired, the amount in this account applicable to the shares retired shall be written off to account 210, Gain on Resale or Cancellation of Reacquired Capital Stock, provided, however, that the amount shall be charged to account 439, Adjustments to Retained Earnings, to the extent that it exceeds the balance in account 210.

C. The utility may amortize the balance in this account by charges to account 439, Adjustments to Retained Earnings.

214. Capital stock expense

A. This account shall include in a separate subdivision for each class and series of stock all commissions and expenses incurred in connection with the original issuance and sale of capital stock, including additional capital stock of a particular class or series as well as first issues. Expenses applicable to capital stock shall not be deducted from premium on capital stock.

B. When capital stock which has been actually issued by the utility is retired, the amount in this account applicable to the shares retired shall be written off to account 210, Gain on Resale or Cancellation of Reacquired Capital Stock, provided, however, that the amount shall be charged to account 439, Adjustments to Retained Earnings, to the extent that it exceeds the balance in account 210.

C. The utility may amortize the balance carried in this account by systematic charges to account 425, Miscellaneous Amortization, or it may write off capital stock expense in whole or in part by charges to account 439, Adjustments to Retained Earnings.

NOTE. — Expenses in connection with the reacquisition or resale of utility's capital stock shall not be included herein.

215. Appropriated retained earnings

This account shall include the amount of retained earnings which has been appropriated or set aside for specific purposes. Separate subaccounts shall be maintained under such titles as will designate the purpose for which each appropriation was made.

216. Unappropriated retained earnings

This account shall include the balance, either debit or credit, of unappropriated retained earnings arising from earnings. It shall not include items includible in any of the accounts for paid-in capital.

217. Reacquired capital stock

A. This account shall include in a separate subdivision for each class and series of capital stock the cost of capital stock actually issued by the utility and reacquired by it and not retired or canceled, except, however, stock which is held by trustees in sinking or other funds.

B. When reacquired capital stock is retired or canceled, the difference between its cost, including commissions and expenses paid in connection with the reacquisition, and its par or stated value plus any premium and less any discount and expenses applicable to the shares retired, shall be debited or credited, as appropriate, to account 210, Gain on Resale or Cancellation of Reacquired Capital Stock, provided, however, that debits shall be charged to account 439, Adjustments to Retained Earnings, to the extent that they exceed the balance in account 210.

C. When reacquired capital stock is resold by the utility, the difference between the amount received on the resale of the stock, less expenses incurred in the resale, and the cost of the stock included in this account shall be accounted for as outlined in paragraph B.

NOTE A. — See account 124, Other Investments, for permissive accounting treatment of stock reacquired under a definite plan for resale.

NOTE B. — The accounting for reacquired stock shall be as prescribed herein unless otherwise specifically required by statute.

6. Long-Term Debt**221. Bonds**

This account shall include, in a separate subdivision for each class and series of bonds, the face value of the actually issued and unmatured bonds which have not been retired or canceled; also, the face value of such bonds issued by others the payment of which has been assumed by the utility.

222. Reacquired bonds

A. This account shall include the face value of bonds actually issued or assumed by the utility and reacquired by it and not paid, retired, or canceled. The account for reacquired debt shall not include securities which are held by trustees in sinking or other funds.

B. When bonds are reacquired, the difference between face value, adjusted for unamortized discount, expense or premium and the amount paid upon reacquisition, shall be debited or credited as appropriate, to account 421, Miscellaneous Non-operating income or account 426, Miscellaneous Income Deductions (See, however, account 181, paragraph E, as to refunding operations.)

223. Advances from associated companies

A. This account shall include the face value of notes payable to associated companies and the amount of open book accounts representing advances from associated companies. It does not include notes and open accounts representing indebtedness subject to current settlement which are includible in account 233, Notes Payable to Associated Companies, or account 234, Accounts Payable to Associated Companies.

B. The records supporting the entries to these accounts shall be so kept that the utility can furnish complete information concerning each note and open account.

224. Other long-term debt

A. This account shall include, until maturity, all longterm debt not otherwise provided for. This covers such items as receivers' certificates, real estate mortgages

executed or assumed, assessments for public improvements, notes and unsecured certificates of indebtedness not owned by associated companies, receipts outstanding for long-term debt, and other obligations maturing more than one year from date of issue or assumption.

B. Separate accounts shall be maintained for each class of obligation, and records shall be maintained to show separately for each class all details as to date of obligation, date of maturity, interest dates and rates, security for the obligation, etc.

NOTE. — Miscellaneous long-term debt reacquired shall be accounted for in accordance with the procedure set forth in account 222, Reacquired Bonds.

7. Current and Accrued Liabilities

Current and accrued liabilities are those obligations which have either matured or which become due within one year from the date thereof; except, however, bonds, receivers' certificates and similar obligations which shall be classified as long-term debt until date of maturity; accrued taxes, such as income taxes, which shall be classified as accrued liabilities even though payable more than one year from date; compensation awards, which shall be classified as current liabilities regardless of date due; and minor amounts payable in installments which may be classified as current liabilities. If a liability is due more than one year from date of issuance or assumption by the utility, it shall be credited to a long-term debt account appropriate for the transaction, except, however, the current liabilities previously mentioned.

231. Notes payable

This account shall include the face value of all notes, drafts, acceptances, or other similar evidences of indebtedness, payable on demand or within a time not exceeding one year from date of issue, to other than associated companies.

232. Accounts payable

This account shall include all amounts payable by the utility within one year, which are not provided for in other accounts.

233. Notes payable to associated companies

234. Accounts payable to associated companies

These accounts shall include amounts owing to associated companies on notes, drafts, acceptances, or other similar evidences of indebtedness, and open accounts payable on demand or not more than one year from date of issue or creation.

NOTE. — Exclude from these accounts notes and accounts which state includible in account 223, Advances from Associated Companies.

235. Customer deposits

This account shall include all amounts deposited with the utility by customers as security for the payment of bills.

236. Taxes accrued

A. This account shall be credited with the amount of taxes accrued during the accounting period, corresponding debits being made to the appropriate accounts for tax charges. Such credits may be based upon estimates, but from time to time during the year as the facts become known, the amount of the periodic credits shall be adjusted so as to include as nearly as can be determined in each year the taxes applicable thereto. Any amount representing a prepayment of taxes applicable to

the period subsequent to the date of the balance sheet, shall be shown under account 165, Prepayments.

B. If accruals for taxes are found to be insufficient or excessive, correction therefor shall be made through current tax accruals. However, if such corrections are so large as to seriously distort current expenses, see General Instructions 7.1.

C. Accruals for taxes shall be based upon the net amounts payable after credit for any discounts, but shall not include any amounts for interest on tax deficiencies or refunds. Interest received on refunds shall be credited to account 419, Interest and Dividend Income, and interest paid on deficiencies shall be charged to account 431, Other Interest Expense.

D. The records supporting the entries to this account shall be kept so as to show for each class of taxes, the amount accrued, the basis for the accrual, the accounts to which charged, and the amount of tax paid.

237. Interest accrued

This account shall include the amount of interest accrued but not matured on all liabilities of the utility not including, however, interest which is added to the principal of the debt on which incurred. Supporting records shall be maintained so as to show the amount of interest accrued on each obligation.

238. Dividends declared

This account shall include the amount of dividends which have been declared but not paid. Dividends shall be credited to this account when they become a liability.

239. Matured long-term debt

This account shall include the amount of long-term debt (including any obligation for premiums) matured and unpaid, without specific agreement for extension of the time of payment and bonds called for redemption but not presented.

240. Matured interest

This account shall include the amount of matured interest on long-term debt or other obligations of the utility at the date of the balance sheet unless such interest is added to the principal of the debt on which incurred.

241. Tax collections payable

This account shall include the amount of taxes, sewage charges or rentals, surcharges and the like collected by the utility through payroll deductions or otherwise for the account of, and pending transmittal to the proper taxing authority or political subdivision.

NOTE. — Do not include liability for taxes assessed directly against the utility which are accounted for as part of the utility's own tax expense.

242. Miscellaneous current and accrued liabilities

This account shall include the amount of all other current and accrued liabilities not provided for elsewhere appropriately designated and supported so as to show the nature of each liability.

8. Deferred Credits

251. Unamortized premium on debt

This account shall include the total of the credit balances in the discount, expense and premium accounts, for all classes of long-term debt, including receivers' certificates. (See account 181, Unamortized Debt Discount and Expense.)

252. Customer advances for construction

This account shall include advances by or in behalf of customers for construction which are to be refunded either wholly or in part. When a person is refunded the

entire amount to which he is entitled according to the agreement or rule under which the advance was made, the balance, if any, remaining in this account shall be credited to the respective plan account.

253. Other deferred credits

This account shall include advance billings and receipts and other deferred credit items, not provided for elsewhere, including amounts which cannot be entirely cleared or disposed of until additional information has been received.

255. Accumulated deferred investment tax credits

A. Prior to any use of this account, the utility must file with the Commission, for the purpose of obtaining authorization, a copy of its proposed plan of accounting for deferred investment tax credits. The utility shall not use these accounts unless such use has been authorized by the Commission.

This account shall be credited and Account 411.3, Investment Tax Credit Adjustments, debited with investment tax credits deferred by companies which do not apply such credits as a reduction of the overall income tax expense in the year in which a tax credit is realized. There can be neither changes in accounting method for utility operations nor transfers from this account, except as authorized herein or as may otherwise be authorized by the Commission. (See Account 411.3.)

B. This account shall be debited and Account 411.3 credited with a proportionate amount determined in relation to the average useful life of utility property to which the tax credits relate, or such lesser period of time as may be adopted and consistently followed by the company.

C. Subdivisions of this account by department shall be maintained for deferred investment tax credits that are related to nonutility or other operations. Contra entries affecting such account subdivisions shall be appropriately recorded. Use of deferral or nondeferral accounting procedures adopted for nonutility or other operations are to be followed on a consistent basis.

D. Separate records for each utility department and nonutility operation shall be maintained identifying the properties giving rise to the investment tax credits for each year with the weighted average service life of such properties and any unused balances of such credits. Such records are not necessary unless the tax credits are deferred.

256. Deferred gains from disposition of property

This account shall include gains from the sale or other disposition of property previously recorded in accounts 101-104; in account 105, Property Held for Future Use or account 121, Nonutility Property, where such gains are significant and are to be amortized over a period of five years, unless otherwise authorized by the Commission. The amortization of the amounts in this account shall be made by credits to account 411.6, Gains from Disposition of Utility Plant or account 421.1, Gain on Disposition of Property, as appropriate. Amounts recorded in this account shall be net of related income taxes. (See Utility Plant Instruction 5F, 7E, and 10E.)

9. Operating Reserves

261. Property insurance reserve

A. This account shall include amounts reserved by the utility for self-insurance against losses through accident, fire, flood, or other hazards to its own property or property leased from others. The amounts charged to account 924, Property Insurance, or other appropriate accounts to cover such risks shall be credited to this

account. A schedule of risks covered by this reserve shall be maintained, giving a description of the property involved, the character of the risks covered and the rates used.

B. Charges shall be made to this account for losses covered by self-insurance. Details of these charges shall be maintained according to the year the casualty occurred which gave rise to the loss.

262. Injuries and damages reserve

A. This account shall be credited with amounts charged to account 925, Injuries and Damages, or other appropriate accounts, to meet the probable liability, not covered by insurance, for deaths or injuries to employees and others, and for damages to property neither owned nor held under lease by the utility.

B. When liability for any injury or damage is admitted by the utility either voluntarily or because of the decision of a court or other lawful authority, such as a workmen's compensation board, the admitted liability shall be charged to this account and credited to the appropriate liability account. Details of these charges shall be maintained according to the year the casualty occurred which gave rise to the loss.

NOTE. — Recoveries or reimbursements for losses charged to this account shall be credited hereto; the cost of repairs to property of others if provided for herein, shall be charged to this account.

263. Pensions and benefits reserve

A. This account shall include provisions made by the utility and amounts contributed by employees, for pensions, accident and death benefits, savings, relief, hospital and other provident purposes, where the funds represented by the reserve are included in the assets of the utility either in general or in segregated fund accounts.

B. Amounts paid by the utility for the purposes for which this reserve is established shall be charged hereto.

C. A separate account shall be kept for each kind of reserve included herein.

NOTE. — If employee pension or benefit plan funds are not included among the assets of the utility but are held by outside trustees, payments into such funds, or accruals therefor, shall not be included in this account.

265. Miscellaneous operating reserves

A. This account shall include reserves include all operating reserves maintained by the utility which are not provided for elsewhere.

B. This account shall be maintained in such manner as to show the amount of each separate reserve and the nature and amounts of the debits and credits thereto.

NOTE. — This account includes only such reserves as may be created for operating purposes and does not include any reservations of income the credits for which should be carried in account 215, Appropriated Retained Earnings.

10. Accumulated Deferred Income Taxes

A. Authorization to practice deferred tax accounting must first be obtained from the Commission.

B. The utility shall use the accounts provided below for prior accumulations of deferred taxes on income and for additional provisions.

NOTE A. — The text of the accounts below are designed primarily to cover deferrals of federal income taxes pursuant to provisions of the Internal Revenue Code of 1954 but the accounts are also applicable to deferrals of State taxes on income.

NOTE B. — A utility which has more than one utility department and/or nonutility property and which has deferred taxes on income with respect thereto shall classify such deferrals in the accounts

provided below so as to allow ready identification of items relating to each utility department and to Other Income and Deductions.

281. Accumulated deferred income taxes — accelerated amortization

A. This account shall be credited and account 410, Provision for Deferred Income Taxes, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the use of accelerated (5-year) amortization of certified defense facilities in computing such taxes, as permitted by Section 168 of the Internal Revenue Code of 1954 (Section 124A of previous Internal Revenue Code), as compared to the depreciation deduction otherwise appropriate and allowable for tax purposes according to the straight line or other nonaccelerated depreciation method and appropriate estimated useful life for such property.

B. This account shall be debited and account 411, Income Taxes Deferred in Prior Years-Credit, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of the use in prior years of accelerated (5-year) amortization of certified defense facilities instead of nonaccelerated or nonliberalized depreciation otherwise appropriate for income tax purposes, and deferral of taxes in such prior years as described in paragraph A, above. Such debit to this account and credit to account 411 shall, in general, represent the effect on taxes payable for the current year of the unavailability of a depreciation deduction for tax purposes, or a reduced amount, with respect to any depreciable property for which accelerated amortization was used in prior years, as compared to the depreciation deduction otherwise available and appropriate for such property, considering its estimated useful life, according to the depreciation method ordinarily used by the utility for similar property in computing depreciation for tax purposes by a nonaccelerated or nonliberalized depreciation method.

C. Records with respect to entries to this account as described above, and the account balance, shall be so maintained as to show the factors of calculation and the separate amounts applicable to the facilities of each certification or authorization of accelerated amortization for tax purposes.

D. The use of this account and the accounting described above are not mandatory for any utility, which in accordance with a consistent policy elects not to follow deferred tax accounting even though accelerated amortization is used in computing taxes on income. If, however, deferred tax accounting is initiated with respect to any certified defense facility, the accounting shall not be suspended or discontinued on the property covered by that certificate, without approval of the Commission.

E. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in this account or any portion thereof to retained earnings or make any use thereof except as provided in the text of this account without prior approval of the Commission. Any remaining balance of accumulated deferred taxes with respect to any certified defense facility for which deferred tax accounting has been followed, shall, upon expiration of the estimated useful life of the facility on which deferred tax calculations were based or upon retirement of such facility or predominant part thereof, be credited to account 411, Income Taxes Deferred in Prior Years-Credit, or otherwise be applied as the Commission may authorize or direct.

282. Accumulated deferred income taxes—liberalized depreciation

A. This account shall be credited and account 410, Provision for Deferred Income Taxes, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the use of liberalized depreciation in

computing such taxes, as permitted by Section 167 of the Internal Revenue Code of 1954, as compared to the depreciation deduction otherwise appropriate and allowable for tax purposes for similar property of the same estimated useful life according to the straight line or other nonliberalized method of depreciation.

B. This account shall be debited and account 411, Income Taxes Deferred in Prior Years-Credit, shall be credited with an amount equal to that by which taxes on income payable for the year are greater because of the use in prior years of liberalized depreciation for income tax purposes, and deferral of taxes in such prior years as described in paragraph A above. Such debit to this account and credit to account 411, shall in general, represent the effect on taxes payable for the current year of the smaller amount of depreciation permitted for tax purposes for the current year with respect to any depreciable property for which liberalized depreciation was used in prior years, as compared to the depreciation deduction otherwise appropriate and available for similar property of the same estimated useful life according to the straight line or other nonliberalized depreciation method ordinarily used by the utility in computing depreciation for tax purposes.

C. Records with respect to entries to this account, as described above, and account balance, shall be so maintained as to show the factors of calculation and the separate amounts applicable to the plant additions of each vintage year for each class, group, or unit as to which different liberalized depreciation methods and estimated useful lives have been used. The underlying calculation to segregate and associate deferred tax amounts with the respective vintage years may be based on reasonable methods of approximation, if necessary, consistently applied.

D. The use of this account and the accounting described above are not mandatory for any utility, which in accordance with a consistent policy, elects not to follow deferred tax accounting even though liberalized depreciation is used in computing taxes on income. If, however, deferred tax accounting is initiated with respect to any property such accounting shall not be discontinued on that property, without approval of the Commission.

E. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in the account or any portion thereof to retained earnings or make any use thereof except as provided in the text of this account without prior approval of the Commission. Any remaining deferred tax balance with respect to any years' plant additions or subdivisions thereof for which liberalized depreciation accounting has been followed upon retirement from service of such property or predominant portion thereof, or upon expiration of the estimated useful life on which the depreciation calculations for tax purposes are based, shall be credited to account 411, Income Taxes Deferred in Prior Years-Credit, or otherwise applied as the Commission may authorize or direct.

283. Accumulated deferred income taxes—other

A. This account, when its use has been authorized by the Commission for specific types of tax deferrals shall be credited and account 410, Provision for Deferred Income Taxes, shall be debited with an amount equal to that by which taxes on income payable for the year are lower because of the current use of deductions other than accelerated amortization or liberalized depreciation in the computation of income taxes, which deductions for general accounting purposes will not be fully reflected in the utility's determination of annual net income until subsequent years.

B. This account, when its use has been authorized by the Commission, shall be debited and account 411, Income Taxes Deferred in Prior Years-Credit, shall be

credited with an amount equal to that by which taxes on income payable for the year are greater because of deferral of taxes on income in previous years, as provided by paragraph A, above, because of difference in timing for tax purposes of particular income deductions from that recognized by the utility for general accounting purposes, other than with respect to accelerated amortization or liberalized depreciation. Such debit to this account and credit to account 411 shall, in general, represent the effect on taxes payable in the current year of the smaller deduction permitted for tax purposes as compared to the amount recognized in the utility's general accounts with respect to the item or class of items for which deferred tax accounting by the utility was authorized by the Commission.

C. Records with respect to entries to this account, as described above, and the account balance, shall be so maintained as to show the factors of calculation with respect to each annual amount of the item or class of items, other than accelerated amortization or liberalized depreciation, for which tax deferral accounting by the utility is authorized by the Commission.

D. The utility is restricted in its use of this account to the purposes set forth above. It shall not transfer the balance in the account or any portion thereof to retained earnings or make any use thereof except as provided in the text of this account, without prior approval of the Commission. Any remaining deferred tax account balance with respect to an amount for any prior years tax deferral, the amortization of which or other recognition in the utility's income accounts has been completed, or other dispositions made, shall be credited to account 411, Income Taxes Deferred In Prior Years-Credit, or otherwise disposed of as the Commission may authorize or direct.

NOTE. — In determining appropriate use of this account as a basis of request to the Commission for authorization of its use, consideration shall be given to the relative importance of the amount involved, and to other items in the utility's accounts where "prepaid tax accounting" may be appropriate such as situations (a) where the time of taking a deduction in computing taxes on income is such that the tax deduction must be delayed or applied to a series of future years as opposed to earlier recognition of such item in determination of income in the general accounts of the utility, or (b) where inclusion of an income item is required for tax purposes but is to be recognized in whole or in part in the utility's income accounts of a subsequent year or years.

Part 6

UTILITY PLANT ACCOUNTS

1. Intangible Plant

301. Organization

This account shall include all fees paid to federal or state governments for the privilege of incorporation and expenditures incident to organizing the corporation, partnership or other enterprise and putting it into readiness to do business.

ITEMS

1. Cost of obtaining certificates authorizing an enterprise to engage in the public utility business.
2. Fees and expenses for incorporation.
3. Fees and expenses for mergers or consolidations.
4. Office expenses incident to organizing the utility.
5. Stock and minute books and corporate seal.

NOTE A. — This account shall not include any discounts upon securities issued or assumed; nor shall it include any costs incident to negotiating loans, selling bonds or other evidences of debt, or expenses in connection with the authorization, issuance and sale of capital stock.

NOTE B. — Exclude from this account and include in the appropriate expense account the cost of preparing and filing papers in connection with the extension of the term of incorporation unless the first organization costs have been written off. Where charges are made to this account for expenses incurred in mergers, consolidations or reorganizations, amounts previously included herein or in similar accounts in the books of the companies concerned shall be excluded from this account.

302. Franchises and consents

A. This account shall include amounts paid to the federal government, to a state or to a political subdivision thereof in consideration for franchises, consents or certificates, running in perpetuity or for a specified term of more than one year, together with necessary and reasonable expenses incident to procuring such franchises, consents or certificates of permission and approval, including expenses of organizing and merging separate corporations, where statutes require solely for the purpose of acquiring franchises.

B. If a franchise, consent or certificate is acquired by assignment, the charge to this account in respect thereof shall not exceed the amount paid therefor by the utility to the assignor, nor shall it exceed the amount paid by the original grantee, plus the expense of acquisition to such grantee. Any excess of the amount actually paid by the utility over the amount above specified shall be charged to account 426, Miscellaneous Income Deductions.

C. When any franchise has expired, the book cost thereof shall be credited hereto and charged to account 426, Miscellaneous Income Deductions, or to account 114, Accumulated Provision for Amortization of Utility Plant in Service, as appropriate.

D. Records supporting this account shall be kept so as to show separately the book cost of each franchise or consent.

NOTE. — Annual or other periodic payments under franchises shall not be included herein but in the appropriate operating expense account.

303. Miscellaneous intangible plant

A. This account shall include the cost of patent rights, licenses, privileges and other intangible property necessary or valuable in the conduct of utility operations and not specifically chargeable to any other account.

B. When any item included in this account is retired or expires, the book cost thereof shall be credited hereto and charged to account 426, Miscellaneous Income Deductions, or to account 108, Accumulated Provision for Amortization of Utility Plant in Service, as appropriate.

C. This account shall be maintained in such a manner that the utility can furnish full information with respect to the amounts included herein.

2. Transmitting Facilities

310. Land and land rights

This account shall include the cost of land and land rights used in connection with transmitting activities. (See Utility Plant Instruction 7.)

311. Structures and improvements

This account shall include the cost in place of structures and improvements used in connection with transmitting activities. (See Utility Plant Instruction 8.)

312. Electronic transmitting equipment

This account shall include the cost of electronic transmitting equipment.

ITEMS

1. Cameras.
2. Microphones.
3. Audio-Video Modulators.
4. Monitors.
5. Amplifiers.
6. Tape Recorders.

313. Accessory transmitting equipment

This account shall include the cost installed of auxiliary transmitting apparatus.

ITEMS

1. Air cleaning and cooling apparatus.
2. Cooling Systems, including Towers, Pumps, Tanks, and Piping.
3. Auxiliary generators, including boards, compartments, switching equipment and control equipment used to supply power to the transmitting plant.

314. Other equipment

This account shall include the cost installed of miscellaneous equipment in and about the transmitting station which is not properly includable in any of the foregoing accounts.

ITEMS

1. Fire fighting equipment.
2. Miscellaneous equipment, such as first aid cabinet, intrasite communication equipment, incinerator, and other similar equipment.
3. Station maintenance equipment.

3. Head End Equipment**320. Land and land rights**

This account shall include the cost of land and land rights used in connection with head end operations. (See Utility Plant Instruction 7.)

321. Structure and improvements

This account shall include the cost in place of structures and improvements used in connection with head end operations. (See Utility Plant Instruction 8.)

322. Towers and antennas

This account shall include the cost of towers and antennas comprising the head end tower assemblies or arrays.

ITEMS

1. Towers.
2. Tower lighting system.
3. Antennas.
4. Preamplifiers.
5. Lead in Cables.

323. Electronic receiving and signal processing equipment

This account shall include the cost of head end receiving and signal processing equipment.

ITEMS

- 1. Mixers.
- 2. Attenuators.
- 3. Preamplifiers.
- 4. Convertors.
- 5. Amplifiers.

324. Power supply equipment

This account shall include the cost of all power supply and distribution equipment serving as or associated with the prime source of power used in head end operations. This account shall also include the cost of equipment used for the purpose of supplying emergency or auxiliary head end power.

ITEMS

- 1. Generators.
- 2. Motors.
- 3. Transformers.
- 4. Voltage Stabilizers.

325. Other head end equipment

This account shall include the cost of miscellaneous equipment devoted to general station use, and not properly includable in any of the other head end equipment accounts.

ITEMS

- 1. Air cleaning and cooling apparatus.
- 2. Fire fighting equipment.
- 3. Testing and monitoring equipment.
- 4. Office furniture and equipment.
- 5. Housing and cabinets.
- 6. Shop tools and equipment.

4. Distribution Facilities

360. Land and land rights

This account shall include the cost of land and land rights used in connection with distribution operations. (See Utility Plant Instruction 7.)

361. Structures and improvements

This account shall include the cost in place of structures and improvements used in connection with distribution operations. (See Utility Plant Instruction 8.)

362. Towers, poles and fixtures

This account shall include the cost installed of towers and poles together with appurtenant fixtures used for supporting overhead distribution conductors and service wires.

ITEMS

- 1. Anchors, head arm, and other guys, including guy guards, guy clamps, etc.
- 2. Brackets.
- 3. Excavation and backfill, including disposal of excess excavated material.

4. Foundations.
5. Poles, wood, steel, concrete, or other material.
6. Equipment racks and platforms.

363. Underground conduit

This account shall include the cost installed of underground conduit and tunnels used for housing distribution cables or wires.

ITEMS

1. Conduit.
2. Excavation, including shoring, bracing, bridging, backfill, and disposal of excess excavated material.
3. Pavement disturbed, including cutting and replacing pavement.

364. Electronic conductors and devices

This account shall include the cost installed of conductors and devices used for distribution purposes.

ITEMS

1. Trunk line cable.
2. Feeder cable.
3. Equalizers.
4. Amplifiers.
5. Convertor-amplifiers.
6. Bridging amplifiers.
7. Directional coupler.
8. Taps.
9. Spitters.
10. Resistors.

365. Distribution system—power supply

This account shall include the cost of all power supply and distribution equipment serving as or associated with the prime source of power used in signal distribution. This account shall include also the cost of power rectifiers or motor generator installations (not forming an integral part of the transmitting or head end stations) that are provided as a source of power for the distribution system.

ITEMS

1. Generators.
2. Motors.
3. Transformers.
4. AGL units for remote cable powering of amplifiers.
5. Power stabilization and protection units and systems.
6. Carrier generators.

366. Services

This account shall include the cost installed of overhead and underground conductors locating from the pressure tap to the power of connection with the customers outlet or wiring. Conduit used for underground service conductors shall be included herein.

ITEMS

1. Cables and Wires.
2. Matching transformer.
3. Brackets.
4. Insulators.

367. Installations on customers' premises

This account shall include the cost installed of equipment on customers' premises when the utility incurs such cost and when the utility retains title to and assumes full responsibility for maintenance and replacement of such property. This account shall not include leased equipment.

368. Leased property on customers' premises

This account shall include the cost of equipment on customers' premises, leased or loaned to customers, but not including property held for sale.

NOTE. — The cost of setting and connecting such appliances or equipment on the premises of customers and the cost of resetting or removal shall not be charged to this account but to operating expenses account 566, Customer Installation Expenses.

369. Other equipment

This account shall include the cost installed of all other distribution system equipment not provided for in the foregoing accounts.

5. General Plant**389. Land and land rights**

This account shall include the cost of land and land rights used for utility purposes, the cost of which is not properly includible in other land and land rights accounts. (See Utility Plant Instruction 7.)

390. Structures and improvements

This account shall include the cost in place of structures and improvements usual for utility purposes, the cost of which is not properly includible in other structures and improvements accounts. (See Utility Plant Instruction 8.)

391. Office furniture and equipment

A. This account shall include the cost of office furniture and equipment owned by the utility and devoted to utility service, and not permanently attached to buildings, except the cost of such furniture and equipment which the utility elects to assign to other plant accounts on a functional basis.

B. If the utility has equipment includible in this account at more than one location, separate records shall be maintained for each location.

ITEMS

1. Book cases and shelves.
2. Desks, chairs, anti desk equipment.
3. Drafting room equipment.
4. Ceiling, storage, and other cabinets.
5. Floor covering.
6. Library and library equipment.
7. Mechanical office equipment such as accounting machines, typewriters, etc.

8. Safes.
9. Tables.

392. Transportation equipment

This account shall include the cost of transportation vehicles used for utility purposes.

ITEMS

1. Airplanes.
2. Automobiles.
3. Bicycles.
4. Electrical vehicles.
5. Motor trucks.
6. Motorcycles.
7. Repair cars or trucks.
8. Tractors and trailers.
9. Other transportation vehicles.

393. Stores equipment

A. This account shall include the cost of equipment used for the receiving, shipping, handling and storage of materials and supplies.

B. If the utility has equipment includible in this account at more than one location, separate records shall be maintained for each location.

ITEMS

1. Chain falls.
2. Counters.
3. Cranes (portable).
4. Elevating and stacking equipment (portable).
5. Hoists.
6. Lockers.
7. Scales.
8. Shelving.
9. Storage bins.
10. Trucks, hand and power driven.
11. Wheelbarrows.

394. Tools, shop and garage equipment

This account shall include the cost of tools, implements, and equipment used in construction, repair work, general shops and garages and not specifically provided for or includible in other accounts.

ITEMS

1. Air compressors.
2. Anvils.
3. Automobile repair shop equipment.
4. Battery charging equipment.
5. Belts, shafts and countershafts.
6. Boilers.
7. Cable pulling equipment.

8. Concrete mixers.
9. Drill presses.
10. Derricks.
11. Electric equipment.
12. Engines.
13. Forges.
14. Furnaces.
15. Foundations and settings specially constructed for and not expected to outlast the equipment for which provided.
16. Gas producers.
17. Gasoline pumps, oil pumps and storage tanks.
18. Greasing tools and equipment.
19. Hoists.
20. Ladders.
21. Lathes.
22. Machine tools.
23. Motor driven tools.
24. Motors.
25. Pipe threading and cutting tools.
26. Pneumatic tools.
27. Pumps.
28. Riveters.
29. Smithing equipment.
30. Tool racks.
31. Vises.
32. Welding apparatus.
33. Work benches.

395. Laboratory equipment

A. This account shall include the cost installed of laboratory equipment used for general laboratory purposes and not specifically provided for or includible in other departmental or functional plan accounts.

B. If the utility has equipment includible in this account at more than one location, separate records shall be maintained for each location.

ITEMS

1. Autoclaves.
2. Barometers.
3. Cameras.
4. Centrifuge.
5. Distilling apparatus.
6. Furnaces.
7. Microscopes.
8. Ovens.
9. Pedometers.
10. Rain gauges.
11. Refrigerators.
12. Scales.
13. Sterilizers.
14. Stop watches.

15. Testing machines.
16. Thermometers.
17. Voltmeters.
18. Other bacteriological, electric, chemical hydraulic or research equipment.

396. Power operated equipment

This account shall include the cost of power operated equipment used in construction or repair work exclusive of equipment includible in other accounts. Include, also, the tools and accessories acquired for use with such equipment and the vehicle on which such equipment is mounted.

ITEMS

1. Air compressors, including driving unit and vehicle.
2. Back filling machines.
3. Boring machines.
4. Bulldozers.
5. Cranes and hoists.
6. Diggers.
7. Engines.
8. Pile drivers.
9. Pipe cleaning machines.
10. Pipe coating or wrapping machines.
11. Tractors—Crawler type.
12. Trenchers.
13. Other power operated equipment.

NOTE. — It is intended that this account include only such large units as are generally self-propelled or mounted on moveable equipment.

397. Communication equipment

This account shall include the cost installed of telephone, telegraph and wireless equipment for general use in connection with utility operations.

ITEMS

1. Antennae.
2. Booths.
3. Cables.
4. Distribution boards.
5. Extension cords.
6. Gongs.
7. Handsets, manual and dial.
8. Insulators.
9. Intercommunicating sets.
10. Loading coils.
11. Operators desks.
12. Poles and fixtures used wholly for telephone and telegraph wires.
13. Radio transmitting and receiving sets.
14. Remote control equipment and lines.
15. Sending keys.
16. Storage batteries.
17. Switchboards.
18. Telautograph circuit connections.

- 19. Telegraph receiving sets.
- 20. Telephone and telegraph circuits.
- 21. Testing instruments.
- 22. Towers.
- 23. Underground conduit used wholly for telephone or telegraph wires and cable wires.

398. Miscellaneous equipment

This account shall include the cost of equipment, apparatus, etc., used in utility operations, and which is not includible in any other account.

ITEMS

- 1. Hospital and infirmary equipment.
- 2. Kitchen equipment.
- 3. Recreation equipment.
- 4. Radios.
- 5. Restaurant equipment.
- 6. Soda fountains.
- 7. Operator’s cottage furnishings.
- 8. Other miscellaneous equipment.

NOTE. — Miscellaneous equipment of the nature indicated above wherever practicable shall be included in the utility plant accounts on a functional basis.

399. Other tangible property

This account shall include the cost of tangible utility plant not provided for elsewhere.

Part 7

INCOME ACCOUNTS

1. Utility Operating Income

400. Operating revenues

There shall be shown under this caption the total amount included in the operating revenue accounts provided herein and in similar accounts for other utility departments. Separate subaccounts shall be maintained for each utility department.

401. Operation expense

There shall be shown under this caption the total amount included in the operation expense accounts provided herein and in similar accounts for other utility departments. Separate subaccounts shall be maintained for each utility department.

402. Maintenance expense

There shall be shown under this caption the total amount included in the maintenance expense accounts provided herein and in similar accounts for other utility departments. Separate subaccounts shall be maintained for each utility department.

403. Depreciation expense

A. This account shall include the amount of depreciation expense for all classes of depreciable utility plant in service except such depreciation expense as is chargeable to clearing accounts or to account 416, Costs and Expenses of Merchandising, Jobbing, and Contract Work.

B. The utility shall keep such records of property and property retirements as will reflect the service life of property which has been retired and aid in estimating probable service life by mortality, turnover, or other appropriate methods; and also such records as will reflect the percentage of salvage and cost of removal for property retired from each account, or subdivision thereof for depreciable utility plant.

C. If the utility is engaged in more than one utility service, a separate account shall be kept hereunder for each utility service.

NOTE A. — Depreciation expense applicable to property included in account 104, Utility Plant Leased to Others, shall be charged to account 413, Expenses of Utility Plant Leased to Others.

NOTE B. — Depreciation expense applicable to transportation equipment, shop equipment, tools, work equipment and power operated equipment and other general equipment may be charged to clearing accounts as necessary in order to obtain a proper distribution of expenses between construction and operation.

404. Amortization of limited-term utility plant

This account shall include amortization charges applicable to amounts included in the utility plant accounts for limited-term franchises, licenses, patent rights, limited-term interests in land, and expenditures on leased property where the service life of the improvements is terminable by action of the lease. The charges to this account shall be such as to distribute the book cost of each investment as evenly as may be over the period of its benefit to the utility. (See account 114, Accumulated Provision for Amortization of Utility Plant in Service.)

405. Amortization of other utility plant

A. When authorized by the Commission, this account shall include charges for amortization of intangible or other utility plant in service which does not have a definite or terminable life and which is not subject to charges for depreciation expense.

B. This account shall be supported in such detail as to show the amortization applicable to each investment being amortized, together with the book cost of the investment and the period over which it is being written off.

406. Amortization of utility plant acquisition adjustments

This account shall be debited or credited, as the case may be, with amounts includible in operating expenses, pursuant to approval or order of the Commission, for the purpose of providing for the extinguishment of the amount in account 117, Utility Plant Acquisition Adjustments.

407.1. Amortization of property losses

This account shall be charged with amounts credited to account 182, Extraordinary Property Losses, when the Commission has authorized the amount in the latter account to be amortized by charges to operating expenses.

407.2. Amortization of deferred start-up costs

This account shall be charged with amounts credited to account 188, deferred start-up costs, when the utility has elected to amortize these costs over a ten-year period. (See account 188.)

408. Taxes other than income taxes

A. This account shall include the amount of ad valorem, gross revenue or gross receipts taxes, state unemployment insurance, franchise taxes, federal excise taxes, social security taxes, and all other taxes assessed by federal, state, county, municipal, or other local governmental authorities, except income taxes.

B. This account shall be charged in each accounting period with the amount of taxes which is applicable thereto, with concurrent credits to account 236, Taxes Accrued, or account 165, Prepayments, as appropriate. When it is not possible to determine the exact amount of taxes, the amount shall be estimated and adjustments made in current accruals as the actual tax levies become known.

C. The charges to this account shall be made or supported so as to show the amount of each tax and the basis upon which each charge is made. In the case of a utility rendering a number of utility services, taxes includible in this account shall be assigned directly to the utility department the operation of which gave rise to the tax in so far as practicable. Where the tax is not attributable to a specific utility department, it shall be distributed among the utility departments or nonutility operations on an equitable basis.

D. This account shall be maintained according to the subaccounts 408.1 and 408.2 inclusive as shown below.

NOTE A. — Special assessments for street and similar improvements shall be included in the appropriate utility plant or nonutility property account.

NOTE B. — Taxes specifically applicable to construction shall be included in the cost of construction.

NOTE C. — Gasoline and other sales taxes shall be charged as far as practicable to the same account as the materials on which the tax is levied.

NOTE D. — Social security and other forms of so-called payroll taxes shall be distributed to utility departments and to nonutility functions on a basis related to payroll. Amounts applicable to construction shall be charged to the appropriate plant account.

NOTE E. — Interest on tax refunds or deficiencies shall not be included in this account but in account 419, Interest and Dividend Income or 431, Other Interest Expense, as appropriate.

408.1. Taxes other than income taxes, utility operating income

This account shall include those taxes recorded in account 408, Taxes Other Than Income Taxes which relate to utility operating income. This account shall be maintained so as to allow ready identification of taxes relating to Utility Operating Income (by department), Utility Plant Leased to Others and Other Utility Operating Income.

408.2. Taxes other than income taxes, other income and deductions

This account shall include those taxes recorded in account 408, Taxes Other Than Income Taxes which relate to Other Income and Deductions.

409. Income taxes

A. This account shall include the amount of state and federal income taxes on income properly accruable during the period covered by the income statement to meet the actual liability for such taxes. Concurrent credits for the tax accruals shall be made to account 236, Taxes Accrued, and as the exact amount of taxes becomes known, the current tax accruals shall be adjusted by a charge or credit to this account, unless such adjustment is properly includible in account 439, Adjustments to Retained Earnings, so that this account as nearly as can be ascertained shall include the actual taxes payable by the utility. (See general instructions 7.1 for prior period adjustments.)

B. The accruals for income taxes shall be apportioned among utility departments and to Other Income and Deductions so that, as nearly as practicable, each tax shall be included in the expenses of the utility department or Other Income and Deductions, the income from which gave rise to the tax. The income tax effect of amounts recorded in account 439, Adjustments to Retained Earnings shall be recorded in that account.

C. This account shall be maintained according to the subaccounts 409.1, 409.2 and 409.3 inclusive as shown below.

NOTE A. — Taxes assumed by the utility on interest shall be charged to account 431, Other Interest Expense.

NOTE B. — Interest on tax refunds or deficiencies shall not be included in this account but in account 419, Interest and Dividend Income, or account 431, Other Interest Expense, as appropriate.

409.1. Income taxes, utility operating income

This account shall include the amount of those state and federal income taxes reflected in account 409, Income Taxes, which relate to utility operating income. This account shall be maintained so as to allow ready identification of tax effects (both positive and negative) relating to Utility Operating Income (by department) and Utility Plant Leased to Others.

409.2. Income taxes, other income and deductions

This account shall include the amount of those state and federal income taxes reflected in account 409, Income Taxes, (both positive and negative) which relate to Other Income and Deductions.

409.3. Income taxes, extraordinary items

This account shall include the reflected amount of those state and federal income taxes in account 409, Income Taxes, (both positive and negative) which relate to Extraordinary Items.

410. Provision for deferred income taxes

A. This account shall be debited and Accumulated Deferred Income Taxes shall be credited with an amount equal to any deferral of taxes on income as provided by the texts of accounts 281, 282 and 283. There shall not be netted against entries required to be made to this account any credit amounts appropriately includible in account 411, Income Taxes Deferred In Prior Years-Credit.

B. This account shall be maintained according to the subaccounts 410.1 and 410.2 inclusive, as shown below.

410.1. Provisions for deferred income taxes, utility operating income

This account shall include the amount of those deferred income taxes reflected in account 410, Provision for Deferred Income Taxes, which relate to Utility Operating Income (by department).

410.2. Provisions for deferred income taxes, other income and deductions

This account shall include the amount of those deferred income taxes reflected in account 410, Provision for Deferred Income Taxes, which relate to Other Income and Deductions.

411. Income taxes deferred in prior years-credit

A. This account shall be credited and Accumulated Deferred Income Taxes debited with an amount equal to the portion of taxes on income payable for the year that is attributable to a deferral of taxes on income in a prior year, in accordance with the plan of deferred tax accounting provided by the texts of accounts 281, 282, and 283. There shall not be netted against entries required to be made to this account any debit amounts appropriately includible in account 410, Provision for Deferred Income Taxes.

B. This account shall be maintained according to the subaccounts 411.1 and 411.2 inclusive, as shown below.

411.1. Income taxes deferred in prior years-credit, utility operating income

This account shall include the amount of those taxes deferred in prior years-credit, reflected in account 411, Income Taxes Deferred in Prior Years-Credit, which relate to Utility Operating Income (by department).

411.2. Income taxes deferred in prior years-credit, other income and deductions

This account shall include the amount of those taxes deferred in prior years-credit, reflected in account 411, Income Taxes Deferred in Prior Years Credit, which relate to Other Income and Deductions.

411.3. Investment tax credit adjustments

A. This account shall be debited with the amounts of investment tax credits related to utility property that are credited to account 255, Accumulated Deferred Investment Tax Credits, by companies which do not apply the entire amount of the benefits of the investment credit as a reduction of the overall income tax expense in the year in which such credit is realized. (See account 255.)

B. This account shall be credited with the amounts debited to account 255 for proportionate amounts of tax credit deferrals allocated over the average useful life of utility property to which the tax credits relate or such lesser period of time as may be adopted and consistently followed by the company.

C. This account shall be maintained according to the subaccounts 411.4 and 411.5, inclusive, as shown below.

411.4. Investment tax credit adjustments, utility operations

This account shall include the amount of those investment tax credit adjustments reflected in account 411.3, Investment Tax Credit Adjustments, related to property used in Utility Operations (by department).

411.5. Investment tax credit adjustments, nonutility operations

This account shall include the amount of those investment tax credit adjustments reflected in account 411.3, Investment Tax Credit Adjustments, related to property used in Nonutility Operations.

411.6. Gains from disposition of utility plant

This account shall include amounts relating to gains from the sale or other disposition of utility plant recorded in accounts 101-104; or property recorded in account 105, Property Held for Future Use or account 121, Nonutility Property, which had previously been classified in the aforementioned utility plant accounts. Record income taxes on gains recorded in this account in account 409, Income Taxes.

411.7. Losses from disposition of utility plant

This account shall include amounts relating to losses from the sale or other disposition of utility plant recorded in accounts 101-104, or property recorded in account 105, Property Held for Future Use or account 121, Nonutility Property, which had previously been classified in the aforementioned utility plant accounts. Record the reductions in income taxes attributable to losses recorded in this account in account 409, Income Taxes.

412. Revenues from utility plant leased to others**413. Expenses of utility plant leased to others**

A. These accounts shall include respectively, revenues from utility property constituting a distinct operating unit or system leased by tire utility to others, and which property is properly includible in account 104, Utility Plant Leased to Others, and the expenses attributable to such property.

B. The detail of expenses shall be kept or supported so as to show separately the following:

- Operation
- Maintenance
- Depreciation
- Amortization

NOTE. — Related operating taxes shall be recorded in account 408, Taxes Other than Income Taxes and income taxes shall be recorded in account 409, Income Taxes, identified separately.

2. Other Income and Deductions**A. Other Income****415. Revenues from merchandising, jobbing, and contract work****416. Costs and expenses of merchandising, jobbing, and contract work**

A. These accounts shall include respectively, all revenues derived from the sale of merchandise and jobbing or contract work, including any profit or commission accruing to the utility on jobbing work performed by it as agent under contracts whereby it does jobbing work for another for a stipulated profit or commission, and all expenses incurred in such activities.

B. Records in support of these accounts shall be so kept as to permit ready summarization of revenues, costs and expenses by such major items as are feasible.

NOTE A. — Revenues and expenses of merchandising, jobbing, and contract work shall be reported in these accounts, if a state regulatory body having jurisdiction over the utility requires the net income therefrom to be reported as other income; but the revenues and expenses shall be reported in account 914, Revenues from Merchandising, Jobbing, and Contract Work, and account 915, Costs and Expenses of Merchandising, Jobbing, and Contract Work, if such regulatory body requires the net income to be reported as an operating income or expense item. In the absence of a requirement by a state regulatory body, the utility may use these accounts or accounts 914 and 915 at its option, in which case the practice of the utility must be consistent.

NOTE B. — Related operating taxes shall be recorded in account 408, Taxes Other Than Income Taxes, and income taxes shall be recorded in account 409, Income Taxes.

417. Revenues from nonutility operations**417.1. Expenses of nonutility operations**

A. These accounts shall include revenues and expenses applicable to operation which are nonutility in character but nevertheless constitute a distinct operating activity of the enterprise as a whole, such as the operation of a servicing organization for furnishing supervision, management, engineering, and similar services to others.

NOTE. — Related operating taxes shall be recorded in account 408, Taxes Other Than Income Taxes and income taxes shall be recorded in account 409, Income Taxes.

B. The expenses shall include all elements of costs incurred in such operations, and the accounts shall be maintained so as to permit ready summarization as follows:

- Operation
- Maintenance
- Rents

Depreciation
Amortization

418. Nonoperating rental income

A. This account shall include all rent revenues and related expenses of land, buildings, or other property included in account 121, Nonutility Property, which is not used in operations covered by accounts 417 or 417.1.

B. The expenses shall include all elements of costs incurred in the ownership and rental of property and the account shall be maintained so as to permit ready summarization as follows:

Operation
Maintenance
Rents
Depreciation
Amortization

NOTE. — Related operating taxes shall be recorded in account 408, Taxes Other Than Income Taxes and income taxes shall be recorded in account 409, Income Taxes.

419. Interest and dividend income

A. This account shall include interest revenues on securities, loans, notes, advances, special deposits, tax refunds and all other interest-bearing assets, and dividends on stocks of other companies, whether the securities on which the interest and dividends are received are carried as investments or included in sinking or other special fund accounts.

B. This account may include for each accounting period the pro rata amount necessary to extinguish (during the interval between the date of acquisition and the date of maturity), the difference between the cost to the utility and the face value of interest-bearing securities. Amounts thus credited or charged shall be concurrently included in the accounts in which the securities are carried.

C. Where significant in amount, expenses excluding operating taxes and income taxes, applicable to security investments and to interest and dividend revenues thereon shall be charged hereto.

NOTE A. — Related operating taxes shall be recorded in account 408, Taxes Other Than Income Taxes and income taxes shall be recorded in account 409, Income Taxes.

NOTE B. — Interest accrued, the payment of which is not reasonably assured, dividends receivable which have not been declared or guaranteed, and interest or dividends upon reacquired securities issued or assumed by the utility shall not be credited to the account.

421. Miscellaneous nonoperating income

This account shall include all revenue and expense items, except taxes, properly includible in the income account and not provided for elsewhere. Related operating taxes shall be recorded in account 408, Taxes Other Than Income Taxes and income taxes shall be recorded in account 409, Income Taxes.

ITEMS

1. Profit on sale of timber. (See utility plant instruction 7-C.)
2. Profits from operations of others realized by the utility under contracts.
3. Gain on disposition of investments and reacquisition and resale or retirement of utility's debt securities and investments.

421.1. Gain on disposition of property

This account shall be credited with the gain on the sale, conveyance, exchange or transfer of property other than that property recorded in, or previously recorded

in, accounts 101-104. (See utility plant instructions 5F, 7E and 10E.) Income Taxes on Gains recorded in this account shall be recorded in account 409, Income Taxes. (See account 411.6, Gains from Disposition of Utility Plant.)

B. Other Income Deductions

421.2. Loss on disposition of property

This account shall be charged with the loss on the sale, conveyance, exchange or transfer of property other than that property recorded in, or previously recorded in, accounts 101-104. (See utility plant instructions 5F, 7E and 10E.) The reduction in income taxes attributable to losses recorded in this account shall be recorded in account 409, Income Taxes. (See account 411.7, Losses from Disposition of Utility Plant.)

425. Miscellaneous amortization

This account shall include amortization charges not includible in other accounts which are properly deductible in determining the income of the utility before interest charges. Charges includible herein, if significant in amount, must be in accordance with an orderly and systematic amortization program.

ITEMS

1. Amortization of utility plant acquisition adjustments, or of intangibles included in utility plant in service when not authorized to be included in utility operating expenses by the Commission.

2. Amortization of amounts in account 182, Extraordinary Property Losses, when not authorized to be included in utility operating expenses by the Commission.

3. Amortization of capital stock expenses when in accordance with a systematic amortization program.

426. Miscellaneous income deductions

This account shall include miscellaneous expense items which are nonoperating in nature but which are properly deductible before determining total income before interest charges.

ITEMS

1. Donations for charitable, social or community welfare purposes.

2. Life insurance on officers and employees where utility is beneficiary (net premiums less increase in cash surrender value of policies.)

3. Penalties or fines for violations of statutes pertaining to regulation.

3. Interest Charges

427. Interest on long-term debt

A. This account shall include in each accounting period the amount of interest applicable thereto on outstanding long-term debt issued or assumed by the utility, the liability for which is included in account 221, Bonds, or account 224, Other Long-Term Debt.

B. This account shall be so kept or supported as to show the interest accruals on each class and series of long-term debt.

NOTE. — This account shall not include interest on nominally issued or nominally outstanding long-term debt, including securities assumed.

428. Amortization of debt discount and expense

A. This account shall include in each accounting period the portion of unamortized debt discount and expense on outstanding long-term debt which is applicable to

such period. Amounts charged to this account shall be credited concurrently to account 181, Unamortized Debt Discount and Expense.

B. This account shall be so kept or supported as to show the debt discount and expense on each class and series of long-term debt.

429. Amortization of premium on debt—cr.

A. This account shall include in each accounting period the portion of unamortized net premium on outstanding long-term debt which is applicable to such period. Amounts credited to this account shall be charged concurrently to account 251, Unamortized Premium on Debt.

B. This account shall be so kept or supported as to show the premium on each class and series of long-term debt.

430. Interest on debt to associated companies

A. This account shall include in each accounting period interest accrued on amounts included in account 223, Advances from Associated Companies, and on all other obligations to associated companies.

B. The records supporting the entries to this account shall be so kept as to show to whom the interest is to be paid, the period covered by the accrual, the rate of interest and the principal amount of the advances or other obligations on which the interest is accrued.

431. Other interest expense

This account shall include in each accounting period all interest charges not provided for elsewhere.

ITEMS

1. Interest on notes payable on demand or maturing one year or less from date and on open accounts, except notes and accounts with associated companies.

2. Interest on customers' deposits.

3. Interest on claims and judgments, tax assessments, and assessments for public improvements past due.

4. Income and other taxes levied upon bondholders of utility and assumed by it.

432. Interest charged to construction—cr.

This account shall include concurrent credits for interest charged to construction based upon the net cost for the period of construction of borrowed funds used for construction purposes and a reasonable rate upon other funds when so used. (See utility plant instruction 3 (17).)

4. Extraordinary Items

434. Extraordinary income

This account shall be credited with nontypical, noncustomary, infrequently recurring gains, which would significantly distort the current year's income computed before Extraordinary Items, if reported other than as extraordinary items. The applicable income tax effects of this account shall be recorded in account 409, Income Taxes, identified separately. (See general instruction 7.)

435. Extraordinary deductions

This account shall be debited with nontypical, noncustomary, infrequently recurring losses, which would significantly distort the current year's income computed

before Extraordinary Items, if reported other than as extraordinary items. The applicable income tax effects of this account shall be recorded in account 409, Income Taxes, identified separately. (See general instruction 7.)

Part 8

RETAINED EARNINGS ACCOUNTS

433. Balance transferred from income

This account shall include the net credit or debit transferred from income for the year.

436. Appropriations of retained earnings

This account shall include appropriations of retained earnings.

ITEMS

1. Appropriations required under terms of mortgages, orders of courts, contracts, or other agreements.
2. Appropriations required by action of regulatory authorities.
3. Other appropriations made at option of utility for specific purposes.

437. Dividends declared—preferred stock

A. This account shall include amounts declared payable out of retained earnings as dividends on actually outstanding preferred or prior lien capital stock issued by the utility.

B. Dividends shall be segregated for each class and series of preferred stock as to those payable in cash, stock and other forms. If not payable in cash, the medium of payment shall be described with sufficient detail to identify it.

438. Dividends declared—common stock

A. This account shall include amounts declared payable out of retained earnings as dividends on actually outstanding common capital stock issued by the utility.

B. Dividends shall be segregated for each class of common stock as to those payable in cash, stock and other forms. If not payable in cash, the medium of payment shall be described with sufficient detail to identify it.

439. Adjustments to retained earnings

A. This account shall include significant nonrecurring transactions relating to prior periods. Other than transactions of capital stock as specified in paragraph B below, all entries to this account must receive prior Commission approval. These transactions are limited to those adjustments which (a) can be specifically identified with and related to the business activities of particular prior periods, and (b) are not attributable to economic events occurring subsequent to the date of the financial statements for the prior period, and (c) depend primarily on determinations by persons other than the management and (d) were not susceptible of reasonable estimation prior to such determination. This account shall also include the related income tax effects (State and Federal) on items included herein. All items included in this account shall be sufficiently described in the entries relating thereto as to permit ready analysis.

B. Adjustments, charges or credits due to losses on reacquisition, resale or retirement of the company's own capital stock shall be included in this account. (See

account 210, Gain on Resale or Cancellation of Reacquired Capital Stock, for the treatment of gains.)

ITEMS

1. Significant nonrecurring adjustments or settlements of income taxes.
2. Significant amounts resulting from litigation or similar claims.
3. Significant amounts relating to adjustments or settlement of utility revenue under rate processes.
4. Significant adjustments to plant in service depreciation and amortization as a result of Commission direction.
5. Write-off of unamortized capital stock expenses.

Part 9

OPERATING REVENUE ACCOUNTS

1. Service Revenues

440. General service revenues

This account shall include the net billing for service supplied for residential or domestic purposes.

441. Commercial and industrial revenues

This account shall include the net billing for service supplied which is billed under distinct multiple extension rates.

442. Sales to public authorities

This account shall include the net billing for services supplied to municipalities or divisions or agencies of federal or state governments, under special contracts or agreements or service classifications applicable only to public authorities.

443. Special service revenues

This account shall include service revenues not provided for in accounts 440 through 442 derived from the Operation of property, the investment in which is included in utility plant accounts, including revenues arising from special fees imposed to obtain programs not obtainable by means of regular subscription fees.

2. Other Operating Revenues

450. Forfeited discounts

This account shall include the amount of discounts forfeited or additional charges imposed because of failure of customers to pay their service bills on or before a specified date.

451. Miscellaneous service revenues

This account shall include revenues for all miscellaneous service and charges billed to customers which are not specifically provided for in other accounts.

ITEMS

1. Fees for changing, connecting or disconnecting service.
2. Profit on maintenance of installations on customer premises.

3. Net credit or debit (cost less net salvage and less payment from customers) on closing of work orders for plant installed for temporary service of less than one year. (See account 185, Temporary Facilities).

454. Rent from utility property

A. This account shall include rents received for the use by others of land, buildings and other property devoted to utility operations.

B. When property owned by the utility is operated jointly with others under a definite arrangement for apportioning the actual expenses among the parties to the arrangement, any amounts received by the utility for interest or return or reimbursement of taxes or depreciation on the property shall be credited to this account.

NOTE. — Do not include in this account rents from property constituting an operating unit or system. (See account 412, revenues from Utility Plant Leased to Others).

456. Other operating revenues

This account shall include revenues derived from utility operations which are not includible in any of the foregoing accounts.

ITEMS

1. Compensation for minor or incidental services provided for others, such as customer billing, engineering, etc.

2. Profit or loss on sale of material and supplies not ordinarily purchased for resale and not handled through merchandising and jobbing accounts.

Part 10

OPERATION AND MAINTENANCE EXPENSE ACCOUNTS

1. Transmitting Expense Operation

Operation

500. Operation supervision and engineering

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of transmitting facilities. (See operating expense instruction 1.)

502. Station power

This account shall include the cost of electricity purchased, the cost of fuel and other supplies used, and the expenses incurred in the generation, conversion, and storage of current for operating the transmission equipment.

504. Station expenses

This account shall include the cost of labor, materials used, and expenses incurred in operating transmitting facilities and their auxiliary apparatus to the point where signals leave for distribution.

ITEMS

1. Operating, testing, checking and adjusting electronic equipment.

2. Keeping station log and records and preparing reports of station operations.

3. Cleaning equipment when not incidental to maintenance work.
4. Operating monitoring and regulating equipment.

506. Rents

This account shall include all rents of property of others used, occupied or operated in connection with transmitting operations. (See operating expense instruction 3.)

508. Miscellaneous transmitting expenses

This account shall include the cost of labor, materials used, and expenses incurred which are not specifically provided for or are not readily assignable to other transmitting expense accounts.

ITEMS

1. General clerical and stenographic work.
2. Guarding and patrolling plant and yard.
3. Building services.
4. First aid supplies and safety equipment.

Maintenance

510. Maintenance supervision and engineering

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the maintenance of transmitting station apparatus. (See operating expense instruction 1.)

512. Maintenance of structures

This account shall include the cost of labor, materials used and expenses incurred in maintenance of transmitting structures the book cost of which is includible in account 311, Structures and Improvements. (See operating expense instruction 2.)

514. Maintenance of transmitting equipment

This account shall include the amount of expenses incurred in maintaining equipment, the cost of which is includible in account 312, Electronic Transmitting Equipment and account 313, Accessory Transmitting Equipment. (See operating expense instruction 2.)

516. Maintenance of other transmitting facilities

This account shall include the cost of labor, materials used and expenses incurred in maintenance of other transmitting equipment, the book cost of which is includible in account 314, Other Equipment. (See operating expense instruction 2.)

2. Head End Expenses

Operation

530. Operation supervision and engineering

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of the head end facilities. (See operating expenses instruction 1.)

532. Head end operations

This account shall include the cost of labor, materials used and expenses incurred in operating the receiving and signal processing equipment and their auxiliary head end apparatus to the point where signals leave for distribution.

ITEMS

1. Operating, testing, checking and adjusting electronic equipment.
2. Keeping station log and records and preparing reports of station operations.
3. Cleaning equipment when not incidental to maintenance work.
4. Operating monitoring and regulating equipment.

534. Station power

This account shall include the amounts of expenses incurred in supplying power for the operation of the head end station. This includes the cost of power purchased, the cost of fuel and other supplies consumed, and other expenses incurred in the generation, conversion and storage of current for operating the head end equipment.

535. Copyright fees and royalties

This account shall include costs of copyright fees and royalties paid for broadcast and similar rights.

536. Rents

This account shall include all rents of property of others used, occupied or operated in connection with head end operations. (See operating expense instruction 3.)

538. Other head end expenses

This account shall include the cost of labor, materials used and expenses incurred in the operation of the head end station which are not specifically provided for or are not readily assignable to other head end expense accounts.

ITEMS

1. General clerical and stenographic work.
2. Guarding and patrolling station and yard.
3. Building service.

Maintenance**540. Maintenance supervision and engineering**

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the maintenance of the head end station apparatus. (See operating expense instruction 1.)

542. Maintenance of structures and improvements

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of head end structures, the book cost of which is includible in account 321, Structures and Improvements. (See operating expense instruction 2.)

544. Maintenance of towers and antennas

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of plant includible in account 322, Towers and Antennas. (See operating expense instruction 2.)

546. Maintenance of head end apparatus

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of apparatus, the book cost of which is includible in account 323,

Electronic Receiving and Signal Processing Equipment, and account 324, Power Supply Equipment. (See operating expense instruction 2.)

548. Maintenance of other head end equipment

This account shall include the cost of labor, materials used, and expenses incurred in maintenance of plant, the book cost of which is includible in account 325, Other Head End Equipment. (See operating expense instruction 2.)

3. Distribution Expenses

Operation

560. Operation supervision and engineering

This account shall include the cost of labor and expenses incurred in the general supervision and direction of the operation of the distribution system. (See operating expense instruction 1.)

562. Distribution system expenses

This account shall include the cost of labor, materials used, and expenses incurred in the operation of overhead and underground distribution lines.

ITEMS

1. Inspecting and testing electronic equipment for the purpose of determining operating performance.
2. Removing electronic apparatus with or without replacement.
3. Installing electronic equipment provided that the cost of first installation of these items is included in account 364, Electronic Conductors and Devices.
4. Inspecting and adjusting distribution system testing equipment.

564. Distribution system power

This account shall include the cost of power for distributing signals. This includes the cost of electricity purchased, the cost of fuel and other supplies used, and the expenses incurred in the generation, conversion, and storage of current for operating the signal distribution equipment.

566. Customer installation expenses

This account shall include the cost of labor, materials used, and expenses incurred in work on customer installations in inspecting premises and in rendering services to customers of the nature of those indicated by the list of items hereunder.

1. Supervising customer installation work.
2. Investigating service complaints including examination of customers' appliances, wiring, or equipment to locate cause of interference.
3. Cost of changing customers' equipment due to changes in service characteristics.
4. Materials used in servicing customers' fixtures, appliances and equipment.

568. Miscellaneous distribution expenses

This account shall include the cost of labor, materials used, and expenses incurred in distribution system operation not provided for elsewhere.

ITEMS

1. General records of physical characteristics of equipment, such as capacities, etc.
2. System layout maps and records.

3. Service interruption and trouble records.

4. Operating records covering poles, converters, amplifiers, and other distribution facilities.

569. Rents

This account shall include rents of property of others used, occupied, or operated in connection with the distribution system. (See operating expense instruction 3.)

Maintenance

570. Maintenance supervision and engineering

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of the distribution system. (See operating expense instruction 1.)

572. Maintenance of structures

This account shall include the cost of labor, materials used and expenses incurred in maintenance of structures, the book cost of which is includible in account 361, Structures and Improvements. (See operating expense instruction 2.)

574. Maintenance of overhead lines

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of overhead distribution cable facilities, the book cost of which is includible in account 362, Towers, Poles and Fixtures, account 364, Electronic Conductors and Devices, account 365, Distribution System Power Supply, and account 366, Services. (See operating expense instruction 2.)

576. Maintenance of underground lines

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of underground distribution cable facilities, the book cost of which is includible in account 363, Underground Conduit, account 364, Electronic Conductors and Devices, account 365, Distribution System Power Supply, and account 366, Services. (See operating expense instruction 2.)

578. Maintenance of miscellaneous distribution plant

This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant, the book cost of which is includible in account 367, Installation on Customers' Premises, and account 368, Leased Property on Customers' Premises, and any other plant, the maintenance of which is assignable to the distribution function and is not provided for elsewhere. (See operating expense instruction 2.)

4. Customer Accounts Expenses

Operation

901. Supervision

This account shall include the cost of labor and expenses incurred in the general direction and supervision of customer accounting and collecting activities.

903. Customer records and collection expenses

This account shall include the cost of labor, materials used and expenses incurred in work on customer applications, contracts, orders, credit investigations, billing and accounting, collections and complaints.

904. Uncollectible accounts

This account shall be charged with amounts sufficient to provide for losses from uncollectible utility revenues. Concurrent credits shall be made to account 144,

Accumulated Provision for Uncollectible Accounts—Cr. Losses from uncollectible accounts shall be charged to account 144.

905. Miscellaneous customer accounts expenses

This account shall include the cost of labor, materials used and expenses incurred not provided for in other accounts.

5. Sales Expenses

Operation

911. Supervision

This account shall include the cost of labor and expenses incurred in the general direction and supervision of sales activities, except merchandising. Direct supervision of a specific activity, such as demonstrating, selling, or advertising shall be charged to the account wherein the costs of such activity are included. (See operating expense instruction 1.)

912. Demonstrating and selling expenses

This account shall include the cost of labor, materials used and expenses incurred in promotional, demonstrating, and selling activities, except by merchandising, the object of which is to promote or retain the use of utility services by present and prospective customers.

913. Advertising expenses

This account shall include the cost of labor, materials used and expenses incurred in advertising designed to promote or retain the use of utility service, except advertising the sale of merchandise by the utility.

NOTE. — Exclude from this account and charge to account 930, miscellaneous General Expenses, the cost of publication of stockholder reports, dividend notices, bond redemption notices, financial statements, and other notices of a general corporate character. Exclude also all institutional or goodwill advertising. (See account 930, Miscellaneous (General Expenses).)

914. Revenues from merchandising, jobbing and contract work

915. Costs and expenses of merchandising, jobbing and contract work

A. These accounts shall include, respectively, all revenues derived from the sale of merchandise and jobbing or contract work, including any profit or commission accruing to the utility on jobbing work performed by it as agent under contracts whereby it does jobbing work for another for a stipulated profit or commission and all expenses incurred in such activities.

B. Records in support of these accounts shall be so kept as to permit ready summarization of revenues, costs and expenses by such major items as are feasible.

NOTE A. — Revenues and expenses of merchandising, jobbing and contract work shall be reported in this account, if a state regulatory body having jurisdiction over the utility requires shall income to be reported as an operating expense items; but the revenues and expenses shall be reported in accounts 415 and 416 if such regulatory body requires such income to be reported as nonoperating income. In the absence of a requirement by a state regulatory body, the utility may use these accounts or accounts 415 and 416 at its option, in which case the practice of the utility must be consistent.

NOTE B. — Related operating taxes shall be recorded in account 408, Taxes Other Than Income Taxes, and income taxes shall be recorded in account 409, Income Taxes.

6. Administrative and General Expenses

Operation

920. Administrative and general salaries

A. This account shall include the compensation (salaries, bonuses, and other consideration for services, but not including directors' fees) of officers, executives, and other employees of the utility properly chargeable to utility operations and not chargeable directly to a particular operating function.

B. This account may be subdivided in accordance with a classification appropriate to the departmental or other functional organization of the utility.

921. Office supplies and other expenses

A. This account shall include office supplies and other expenses incurred in connection with the general administration of the utility's operations which are assignable to specific administrative or general departments and are not specifically provided for in other accounts. This includes the expenses of the various administrative and general departments, the salaries and wages of which are includible in account 920.

B. This account may be subdivided in accordance with a classification appropriate to the departmental or other functional organization of the utility.

NOTE. — Office expenses which are clearly applicable to any group of operating expenses other than the administrative and general group shall be included in the appropriate account in each functional group. Further, general expenses which apply to the utility as a whole rather than to a particular administrative function shall be included in account 930, Miscellaneous General Expenses.

922. Administrative expenses transferred—cr.

This account shall be credited with administrative expenses recorded in accounts 920 and 921 which are transferred to construction costs or to nonutility accounts.

923. Outside services employed

A. This account shall include the fees and expenses of professional consultants and others for general services which are not applicable to a particular operating function nor to other accounts. It shall include also the pay and expenses of persons engaged for a special or temporary administrative or general purpose in circumstances where the person so engaged is not considered as an employee of the utility.

B. This account shall be so maintained as to permit ready summarization according to the nature of service and the person furnishing the same.

ITEMS

1. Fees, pay and expenses of accountants and auditors, actuaries, appraisers, attorneys, engineering consultants, management consultants, negotiators, public relations counsel, tax consultants, etc.

2. Supervision fees and expenses paid under contracts for general management services.

NOTE. — Do not include inspection and brokerage fees and commissions chargeable to other accounts or fees and expenses in connection with security issues which are includible in the expenses of issuing securities.

924. Property insurance

A. This account shall include the cost of insurance or reserve accruals to protect the utility against losses and damages to owned or leased property used in its utility

operations. It shall include also the cost of labor and related supplies and expenses incurred in property insurance activities.

B. Recoveries from insurance companies or other for property damages shall be credited to the account charged with the cost of the damage. If the damaged property has been retired, the credit shall be to the appropriate account for accumulated provision for depreciation.

C. Records shall be kept so as to show the amount of coverage for each class of insurance carried, the property covered, and the applicable premiums. Any dividends distributed by mutual insurance companies shall be credited to the accounts to which the insurance premiums were charged.

NOTE A. — The cost of insurance or reserve accruals capitalized shall be charged to construction either directly or by transfer to construction work orders from this account.

NOTE B. — The cost of insurance or reserve accruals for the following classes of property shall be charged as indicated:

(1) Materials and supplies and stores equipment, to account 163, Stores Expense, or appropriate material account.

(2) Transportation and other general equipment, to appropriate clearing accounts that may be maintained.

(3) Utility plant leased to others, to account 413, Expenses of Utility Plant Leased to Others.

(4) Nonutility property to the appropriate nonutility income account.

(5) Merchandise and jobbing property, to account 416, Costs and Expenses of Merchandising, Jobbing and Contract Work, or account 915, as appropriate.

NOTE C. — The cost of labor and related supplies and expenses of administrative and general employees who are only incidentally engaged in property insurance work may be included in accounts 920 and 921, as appropriate.

925. Injuries and damages

A. This account shall include the cost of insurance or reserve accruals to protect the utility against injuries and damage claims of employees or others, losses of such character not covered by insurance, and expenses incurred in settlement of injuries and damages claims. It shall also include the cost of labor and related supplies and expenses incurred in injuries and damages activities.

B. Reimbursements from insurance companies or others for expenses charged hereto on account of injuries and damages and insurance dividends or refunds shall be credited to this account.

NOTE A. — Payments to or in behalf of employees for accident or death benefits, hospital expenses, medical supplies or for salaries while incapacitated for service on or leave of absence beyond periods normally allowed, when not the result of occupational injuries, shall be charged to account 926, Employee Pensions and Benefits. (See also note B of account 926.)

NOTE B. — The cost of injuries and damages or reserve accruals capitalized shall be charged to construction directly or by transfer to construction work orders from this account.

NOTE C. — Exclude herefrom the time and expenses of employees (except those engaged in injuries and damages activities) spent in attendance at safety and accident prevention educational meetings, if occurring during the regular work period.

NOTE D. — The cost of labor and related supplies and expenses of administrative and general employees who are only incidentally engaged in injuries and damages activities may be included in accounts 920 and 921 as appropriate.

926. Employee pensions and benefits

A. This account shall include pensions paid to or on behalf of retired employees, or accruals to provide for pensions, or payments for the purchase of annuities for the purpose, when the utility has definitely, by contract, committed itself to a pension plan under which the pension funds are irrevocably devoted to pension purposes, and payments for employee accident, sickness, hospital, and death benefits, insurance therefor. Included, also, expenses included in medical, educational or recreational

activities for the benefit of employees and administrative expenses in connection with employee pensions and benefits.

B. The utility shall maintain a complete record of accruals or payments for pensions and be prepared to furnish full information to the Commission of the plan under which it has created or proposes to create a pension fund and a copy of the declaration of trust or resolution under which the pension plan is established.

C. There shall be credited to this account the portion of pensions and benefits expenses which is applicable to nonutility operations or which is charged to construction unless such amounts are distributed directly to the accounts involved and are not included herein in the first instance.

D. Records in support of this account shall be so kept that the total pensions expense, the total benefits expense, the administrative expenses included herein, and the amounts of pensions and benefits expenses transferred to construction or other accounts will be readily available.

NOTE A. — The cost of labor and related supplies and expenses of administrative and general employees who are only incidentally engaged in employee pension and benefit activities may be included in account 920 and 921, as appropriate.

NOTE B. — Salaries paid to employees during periods of nonoccupational sickness may be charged to the appropriate labor account rather than to employee benefits.

927. Franchise requirements

A. This account shall include payments to municipal or other governmental authorities, and the cost of materials, supplies and services furnished such authorities without reimbursement in compliance with franchise, ordinance, or similar requirements; provided, however, that the utility may charge to this account no regular tariff rates, instead of cost, utility service furnished without charge under provisions of franchises.

B. When no direct outlay is involved, concurrent credit for such charges shall be to account 929, Duplicate Charges—Cr.

C. The account shall be maintained so as to readily reflect the amounts of cash outlays, utility service supplied without charge, and other items furnished without charge.

NOTE A. — Franchise taxes shall not be charged to this account but to account 408, Taxes Other Than Income Taxes.

NOTE B. — Any amount paid as initial consideration for a franchise running for more than one year shall be charged to account 302, Franchises and Consents.

928. Regulatory commission expenses

A. This account shall include all expenses (except pay of regular employees only incidentally engaged in such work) properly included in utility operating expenses, incurred by the utility in connection with formal cases before regulatory commissions, or other regulatory bodies, or cases in which such a body is a party, including payments made to a regulatory commission for fees assessed against the utility for pay and expenses of such commission, its officers, agents, and employees.

B. Amounts of regulatory commission expenses which by approval or direction of the Commission are to be spread over future periods, shall be charged to account 186, Miscellaneous Deferred Debits, and amortized by charges to this account.

C. The utility shall be prepared to report the cost of each formal case.

NOTE A. — Exclude from this account and include in other appropriate operating expense accounts, expenses incurred in the improvement of service, additional inspection, or rendering reports, which are made necessary by the rules and regulations, or orders, of regulatory bodies.

NOTE B. — Do not include in this account amounts includible in account 302, Franchises and Consents, account 181, Unauthorized Debt Discount and Expense, or account 214, Capital Stock Expense.

929. Duplicate charges—cr.

This account shall include concurrent credits for charges which may be made to operating expenses or to other accounts of the utility for the use of utility service from its own supply. Include, also, offsetting credits for any other charges made to operating expenses for which there is no direct money outlay.

930. Miscellaneous general expenses

This account shall include the cost of labor and expenses incurred in connection with the general management of the utility not provided for elsewhere.

ITEMS

Labor:

1. Miscellaneous labor not elsewhere provided for.
2. Industry association dues for company memberships.
3. Contributions for conventions and meetings of the industry.
4. Experimental and general research work for the industry.
5. Communication service not chargeable to other accounts.
6. Trustee, registrar, and transfer agent fees and expenses.
7. Stockholders meeting expenses.
8. Dividend and other financial notices.
9. Printing and mailing dividend checks.
10. Directors' fees and expenses.
11. Publishing and distributing annual reports to stockholders.
12. Institutional or goodwill advertising. (See note below.)
13. Public notices of financial, operating, and other data required by regulatory statutes, not including, however, notices required in connection with security issues or acquisitions of property.

NOTE.—The cost of any advertising for the purpose of influencing public opinion as to the election of public officers, referenda, proposed legislation, proposed ordinances, repeal of existing laws or ordinances, approval or revocation of franchises, or for the purpose of influencing the public or its elected officials, in respect to political matters shall not be included herein but charged to account 426, Other Income Deductions.

931. Rents

This account shall include rents properly includible in utility operating expenses for the property of others used, occupied, or operated in connection with the customer accounts, sales and general and administrative functions of the utility. (See Operating Expense Instruction 3.)

Maintenance

932. Maintenance of general plant

This account shall include the cost assignable to customer accounts, sales and administrative and general functions of labor, materials used and expenses incurred in the maintenance of property, the book cost of which is includible in account 390, Structures and Improvements, account 391, Office Furniture and Equipment, account 397, Communication Equipment, and account 398, Miscellaneous Equipment, and of similar property leased from others. Include, also the cost of repairing for reuse

materials which previously were included in those accounts. (See Operating Expense Instruction 2.

NOTE.—Maintenance of plant included in other general equipment accounts shall be included herein unless charged to clearing accounts or to the particular functional maintenance expense account indicated by the use of the equipment.

(Effective September 19, 1974; Revised November 29, 1976; Revised April 12, 1978)

Sec. 16-27-3. Gas utilities

In accordance with the provisions of Section 4-173 (c) of the General Statutes, the text of the revision to the uniform system of accounts prescribed for gas utilities will not be published herein. A copy of this regulation is available, upon request by interested parties, at the office of the Executive Secretary of the Public Utilities Commission, State Office Building, Hartford, Connecticut.

(Effective December 6, 1973; Revised June 26, 1974; Revised September 13, 1976; Revised November 27, 1990)

Sec. 16-27-4. Class "A" water utilities

In accordance with the provisions of Section 4-173 (c) of the General Statutes, the text of the revision to the uniform system of accounts for Class "A" water utilities will not be published herein. A copy of this regulation is available, upon request by interested parties, at the office of the Executive Secretary of the Department of Public Utility Control, 1 Central Park Plaza, New Britain, CT 06051.

(Effective December 6, 1973, Amended August 18, 1982, May 27, 1986, May 22, 1992)

Sec. 16-27-5. Class "B" water utilities

In accordance with the provisions of Section 4-173 (c) of the General Statutes, the text of the revision to the uniform system of accounts for Class B water utilities will not be published herein. A copy of this regulation is available, upon request by interested parties, at the office of the Executive Secretary of the Department of Public Utility Control, 1 Central Park Plaza, New Britain, CT 06051.

(Effective November 19, 1973, Amended August 18, 1982, May 27, 1986, May 22, 1992)

Sec. 16-27-6. Class "C" water utilities

In accordance with the provisions of Section 4-173 (c) of the General Statutes, the text of the revision to the uniform system of accounts for Class C water utilities will not be published herein. A copy of this regulation is available, upon request by interested parties, at the office of the Executive Secretary of the Department of Public Utility Control, 1 Central Park Plaza, New Britain, CT 06051.

(Effective February 1, 1974, Amended August 18, 1982, May 27, 1986, May 22, 1992)

Sec. 16-27-7. Electric utilities

In accordance with the provisions of Section 4-173 (c) of the General Statutes, the text of the revision to the uniform system of accounts for electric utilities will not be published herein. A copy of this regulation is available, upon request by interested parties, at the office of the Executive Secretary of the Department of Public Utility Control, 1 Central Park Plaza, New Britain, CT 06051.

(Effective December 6, 1973; Revised June 26, 1974; Revised September 13, 1976; Revised March 27, 1984.)

**Adopt Classification of Classes I, II and III Motor
Carriers of Passengers According to ICC's
Uniform System of Accounts**

Sec. 16-27-8. Class I, motor carriers of passengers

For purposes of establishing a uniform system of accounts, common and contract carriers of passengers, Class I, Motor Carriers of Passengers, shall consist of carriers having average gross operating revenues (including interstate and intrastate) of \$3,000,000 or more annually from passenger motor carrier operations.

In accordance with the provisions of Section 4-173 (d) of the General Statutes, the remainder of the text of the uniform system of accounts of Class I, Motor Carriers of Passengers, will not be published herein. A copy of this regulation is available, upon request by interested parties, at the office of the Executive Secretary of the Public Utilities Control Authority, State Office Building, Hartford, Connecticut.

(Effective December 7, 1978)

Sec. 16-27-9. Class II, motor carriers of passengers

For purposes of accounting regulations, common and contract carriers of passengers, Class II, shall consist of carriers having average gross operating revenues (including interstate and intrastate) of \$500,000 or more, but less than \$3,000,000 annually, from passenger motor carrier operations.

In accordance with the provisions of Section 4-173 (d) of the General Statutes, the remainder of the text of the uniform system of accounts of Class II, Motor Carriers of Passengers, will not be published herein. A copy of this regulation is available, upon request by interested parties, at the office of the Executive Secretary of the Public Utilities Control Authority, State Office Building, Hartford, Connecticut.

(Effective December 7, 1978)

Sec. 16-27-10. Class III, motor carriers of passengers

For purposes of accounting regulations common and contract carriers of passengers, Class III, shall consist of carriers having average gross operating revenues (including interstate and intrastate) of less than \$500,000 annually from passenger Motor Carrier operations.

In accordance with the provisions of Section 4-173 (d) of the General Statutes, the remainder of the text of the uniform system of accounts of Class III, Motor Carriers of Passengers, will not be published herein. A copy of this regulation is available, upon request by interested parties, at the office of the Executive Secretary of the Public Utilities Control Authority, State Office Building Hartford, Connecticut.

(Effective December 7, 1978)

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Filing of Procurement Policies and Practices

Filing of procurement policies and practices 16-32a-1

Filing of Procurement Policies and Practices**Sec. 16-32a-1. Filing of procurement policies and practices**

No later than three months following the close of its fiscal year, each public service company shall file annual statements regarding its procurement policies and practices, with the executive secretary of the Department of Public Utility Control, Ten Franklin Square, New Britain, Connecticut 06051.

(Effective March 18, 1988; amended August 23, 2000)

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Electric Company Line Maintenance

Line maintenance 16-32g-1

Electric Company Line Maintenance

Sec. 16-32g-1. Line maintenance

(a) As used in this section:

(1) “Electric distribution company” means “electric distribution company” as defined in section 16-1 of the Connecticut General Statutes; and

(2) “Department” means the department of public utility control.

(b) Each electric distribution company shall submit to the department no later than January 1, 1988, a plan for the maintenance of its facilities for the transmission and distribution of electric current.

(c) Each electric distribution company shall submit to the department an updated line maintenance plan no later than January 1, 1990 and January 1 of each even numbered year thereafter.

(d) The department may require any electric distribution company to submit an updated line maintenance plan at any time the department deems necessary in order to ensure compliance with the provisions of this section.

(e) Each such line maintenance plan shall include procedures and schedules for the inspection, testing, and maintenance, including clearances, of poles, wires, conduits or other fixtures along public highways or streets for the transmission or distribution of electric current, owned, operated, managed or controlled by such electric distribution company.

(f) The department shall prescribe and may update as necessary the required format and content of such line maintenance plans.

(g) The department shall require each electric distribution company to gather and report such data as the department deems necessary to evaluate the ongoing effectiveness and costs of each line maintenance plan.

(h) The department shall review each line maintenance plan and shall issue such orders as the department deems necessary to ensure the compliance of each electric distribution company with the provisions of this section.

(i) The department may, by its order, authorize such cutting and trimming and the keeping trimmed of any brush or trees or other elements of such plan the department finds necessary for the convenience of the public and the reliability of electric services. Authorization under this subsection shall be granted only after due notice and public hearing thereof, and such authorization shall be subject to the provisions of sections 16-234 and 16-235 of the Connecticut General Statutes.

(Effective June 23, 1988; amended August 23, 2000)

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Appeal Bond

Appeal bond. 16-35-1

Appeal Bond

Sec. 16-35-1. Appeal bond

Any aggrieved party appealing an order, authorization or decision of the department of public utility control shall give bond to the State, as required under section 16-35 of the Connecticut General Statutes with sufficient surety, for the benefit of the adverse party, in the amount of Two Hundred and Fifty (\$250.00) Dollars.

(Effective June 21, 1972; amended August 23, 2000)

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**Approval by the Department of Public Utility Control for the
Disposition of Certain Assets of Public Service Companies
Petitions and Applications, Sec. 16-43, Gen. Stat.**

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Approval by the Department of Public Utility Control for the Disposition of Certain Assets of Public Service Companies

Petitions and Applications, Sec. 16-43, Gen. Stat.

Sec. 16-43-1. General rule

These rules apply to all proceedings for the approval by the commissioners of any proposal of a public service company directly or indirectly to merge or consolidate with any other company, to sell, lease, assign, mortgage, or otherwise dispose of any essential part of its franchise, plant equipment or other property necessary or useful in the performance of its duty to the public; or to issue any notes, bonds or other evidence of indebtedness or securities of any nature for a longer period than one year; or to lend or borrow any moneys for a longer period than one year for any purpose other than paying the expenses of conducting its business or for the payment of dividends.

(Effective December 21, 1971; transferred from § 16-1-60, August 23, 2000)

Sec. 16-43-2. Requirement of approval

(a) No public service company shall, directly or indirectly, sell, lease, assign, or otherwise dispose of or cease to own any interest in land, buildings, real estate fixtures or any other interest in real estate unless it shall first have applied for and received the approval of the commission in the manner provided by the Rules of Practice of the commission.

(b) For the purpose of determining whether or not the proposed transaction is subject to its approval, as aforesaid, the commission shall consider and make a finding of fact as to whether or not the subject real property is an essential part of the franchise of the public service company or is necessary or useful in the performance of the duty of the public service company to the public. For the purposes of this section, plant under construction shall be presumed to be necessary in the performance of the public service company's duty to the public and applications must be presented to the commission regarding disposition of said plant or its output either directly or indirectly.

(c) The commission shall consider and make a finding of fact as to whether such interest in real property consists of a parcel of unimproved real property containing three (3) acres or more or is in any way subject to acquisition by any municipality or the state for any purpose authorized by law.

(d) In deciding whether or not to grant such approval the commission shall make a finding as to whether or not such interest in land, buildings, real estate fixtures or other interest in real estate is to be sold, leased, assigned or otherwise disposed of for a consideration that is equal in amount to the fair market value thereof. In the event the commission finds that consideration equals an amount less than such fair market value, then the commission shall further consider whether the acceptance of that consideration by the public service company adversely affects the interests of the stockholders and owners or of the customers of the public service company.

(Effective March 24, 1982; transferred from § 16-43-1, January 6, 2003)

Sec. 16-43-3. Special components

In addition to the requirements stated in Part 1 of this article, each application for the approval of the department of public utility control under section 16-43 of the General Statutes shall contain the following data, either in the statement of application or as exhibits annexed thereto and accompanying the application:

(a) **Mergers, consolidations, security issues.**

(1) A statement of financial condition of the applicant. If the applicant is to be merged with another company, a statement of financial condition of any company with which the applicant is to be merged. Such statement will reflect the financial condition of the surviving company before and after the transaction for which approval is sought.

(2) A copy of any agreement to merge, consolidate, sell, lease, assign or mortgage.

(3) General description of applicant's property and field of operation, the original cost of its property and equipment (individually or by class), the cost thereof to applicant, the depreciation and amortization reserves applicable to such property and equipment (individually or by class).

(4) The amount of bonds, notes or other evidence of indebtedness the applicant desires to issue, with terms, rate of interest, and whether and how secured; the amount and description of any indebtedness the applicant desires to assume; the amount and kind of stock or other evidence of interest or ownership the applicant desires to issue and, if such stock is preferred, the nature and extent of the preference.

(5) A copy of any deed of trust, security agreement, mortgage, conditional sales contract, note or other instrument defining the terms of the proposed security, any plan or offer or agreement for the reorganization or readjustment of indebtedness or capitalization, and any plan for the retirement or exchange of securities.

(6) A statement of the purpose for which the securities are to be issued, including but not limited to the following facts:

(A) If for property acquisition, a detailed description thereof, the consideration to be paid therefor, and the method of arriving at the amount.

(B) If for construction, completion, extension or improvement of facilities, a description thereof in reasonable detail, the cost or estimated cost thereof, and the reason or necessity for the expenditures.

(C) If for improvement of service, a statement of the character of the improvements proposed, or if for maintenance of service, a statement of the reasons why service should be maintained from capital.

(D) If for discharge or refunding of obligations, a full description of the obligations to be discharged or refunded, including the character, principal amount, discount or premium applicable thereto, date on which incurred, date of maturity, rate of interest, and other material facts concerning such obligations, together with a statement showing the purpose for which such obligations had been incurred or the proceeds expended, and any decision of the department authorizing that such obligations be incurred.

(E) If for the reorganization or readjustment of indebtedness or capitalization, or for retirement or exchange of securities, a full description of the indebtedness or capitalization to be readjusted or exchanged; complete terms and conditions of the merger, consolidation, exchange or other reorganization; a pro forma balance sheet (where applicable) giving effect to such reorganization, readjustment or exchange; and a statement of the reason or necessity for the transaction.

(F) If for reimbursement of monies actually expended from income, or from any other monies in the treasury, a general description of the expenditures for which reimbursement is sought, the source of such expenditures, the periods during which such expenditures were made, and the reason for necessity for such reimbursement.

(7) A complete description of any obligation or liability to be assumed by the applicant as guarantor, indorser, surety or otherwise the consideration to be received by applicant, and the reason or necessity for such action.

(8) A copy of the latest proxy statement sent to the stockholders and the last annual report to stockholders by the applicant or by its parent company, where applicable.

(9) A copy of all statements, reports, applications and exhibits filed with the Securities and Exchange Commission (S.E.C.) or any other regulatory agency in connection with the issuance of said securities by the applicant, its parent company, or any other company affiliated therewith, whose capital stock is registered with the S.E.C. pursuant to the provisions of the Securities Exchange Act of 1934. The materials annexed pursuant to this subsection shall further include a copy of the latest proxy statement sent to stockholders by the applicant, its parent company or any other company in connection with the issuance of said securities in compliance with the rules of the S.E.C.

(10) A description of the property involved in the transaction, including any franchises, permits, or operative rights; and, if the transaction is a sale, lease, assignment, merger or consolidation, a statement of the book cost and the original cost, if known, of the property involved.

(11) A certified copy of the Board of Directors' Resolutions approving the initiation of the proposed transaction. Additionally, when available, but prior to final action by the Department, the applicant shall submit a certified copy of the Board of Directors' Resolutions approving the transaction.

(b) Real property transactions

(1) A statement indicating the reason why the real property is being sold, leased, assigned or mortgaged.

(2) The form in which disposition of interest is to take place and the written agreement including all terms or conditions, e.g.; sale or conveyance of the fee; lease for a term of years; easement for a term of years or permanent; exchange of properties or a transfer or some form not listed above.

(3) A description of the location of the real property in the city, town or other municipal form, giving any available street address. For land transactions, enclose a map clearly identifying location. If a map is not available, location will be made by specifying adjacent streets, roads, highways, or other obvious landmarks.

(4) Description of the physical characteristics of the real property. State present and prior use of the property. For land or building transactions, the total square feet or acreage shall be included.

(5) Name of proposed transferee, including what relation, if any, that the transferee has to the company. Also, state the name of any public agency which has expressed an interest in the real property.

(6) Description of the proposed monetary consideration. If the financial consideration or fair market value of any real property transfer is fifty thousand dollars (\$50,000) or more, not less than two (2) appraisals shall be submitted. The department may require other substantiating evidence verifying the fair market value. For real property transfers of less than fifty thousand dollars (\$50,000), the department may require that an appraisal be submitted. All applications shall include a statement of the locally assessed valuation for property tax purposes, including the date of the last evaluation. Also, there shall be included a statement of the source of determining said consideration of the current fair market value. In cases where one real property is being exchanged for another, the company shall submit substantiating evidence of the fair market value for both properties.

(7) The company shall not sell, lease or assign real property directly or indirectly to any director, officer, or their immediate families. Additionally, it shall not sell, lease or assign real property directly or indirectly to any non-officer employee, nor

to any company affiliated with it except at public auction or other public sale procedure. Where good cause appears, the department may permit deviation from this rule except where precluded by statute.

(8) If real property is offered at an auction or other public sale procedure, the company shall submit evidence that the said procedure was widely noticed.

(9) In the event that the proposed transferee and/or the financial consideration is not known, the department will act on the application subject to the following condition: The company will submit for approval the name of the transferee, the financial consideration, and the other terms of the transfer agreement when they are known.

(10) A statement indicating the original cost of the real property as defined in the uniform system of accounts prescribed by the department and all accounts under which the property has been recorded.

(11) The proposed journal entry(s) to record the transaction.

(12) Description of the steps followed by the company in compliance with the provisions of sections 16-50c and 16-50e of the General Statutes or a statement explaining why these sections are not applicable.

(13) For the disposition of water company lands, state the class or classes under which the real property is classified, as described in section 25-37c of the General Statutes.

(c) Sale of public service companies

(1) A copy of the sale agreement, including the sale price and all terms and conditions. Also, if not included in the sale agreement, a statement as to whether the sale price is to be adjusted for any taxes, customer deposits, accounts receivable or accounts payable.

(2) Description of the company and all property and equipment included in the sale.

(3) A map of the system showing the company plant.

(4) A statement indicating the original cost of the property as defined in the uniform system of accounts prescribed by the department.

(5) The proposed journal entry(s) to record the transaction of both the seller and the purchaser.

(6) Name of proposed purchaser.

(7) The seller shall include a statement from the proposed purchaser containing the following information.

(A) A statement of the purchaser's financial condition.

(B) A statement of the purchaser's experience in utility operations.

(C) A statement giving the name(s) of persons who will be responsible for operating and maintaining the system, customer relations, billing and maintaining the accounting records.

(Effective February 24, 1982; transferred from § 16-1-61, August 23, 2000; transferred from § 16-43-2, January 6, 2003)

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Petitions and Applications, Sec. 16-46, Gen. Stat.**Sec. 16-46-1. General rule**

These rules apply to all proceedings for the approval by the commissioners of any proposal of a public service company to dissolve and terminate its corporate existence.

(Effective December 21, 1971; transferred from § 16-1-62, August 23, 2000)

Sec. 16-46-2. Special components

In addition to the requirements hereinabove stated in part 1 of this article each application for the approval of the commissioners under section 16-46 of the General Statutes shall contain the following data, either in statement of application or as exhibits annexed thereto and accompanying the application.

(a) A statement of the financial condition of the applicant.

(b) General description of the applicant's utility plant, the area of its franchise, and the nature of its operation as a public service company.

(c) Description of the manner in which the public will be given service in place of the service to be discontinued by the public service company.

(d) Statement of the reasons for the dissolution of the public service company and the termination of its corporate existence.

(Effective December 21, 1971; transferred from § 16-1-63, August 23, 2000)

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Petitions and Applications, Sec. 16-47, Gen. Stat.**Sec. 16-47-1. Applicability**

These rules apply to all applications required to be filed pursuant to Section 16-47 of the General Statutes of Connecticut.

(Effective October 27, 1988; transferred from § 16-1-64, August 23, 2000)

Sec. 16-47-2. Required information

Each application under Section 16-47 of the General Statutes of Connecticut shall contain the following information:

(a) General description of the property, field of operation, and existing business interests of the applicant or description of the official, board or commission purporting to act under any governmental authority other than that of this state or of its divisions, municipal corporations or courts;

(b) Applicant's financial statement for the most recent fiscal year and the pro forma period (include assumptions), giving effect to the proposed transaction, to include balance sheet, income statement and statement of source and application of funds;

(c) Applicant's most recent Form 10-K and subsequent Forms 10-Q filed with the securities and exchange commission, or comparable information if the applicant is not required to submit the identified documents to the securities and exchange commission;

(d) Applicant's most recent Form 8-K filed with the securities and exchange commission, or comparable information if the applicant is not required to submit the identified document to the securities and exchange commission;

(e) Applicant's most recent annual report to stockholders, or comparable information if such report is not published;

(f) Applicant's latest proxy statement sent to stockholders, or comparable information if such report is not published;

(g) Description of transaction or series of transactions, including intended financing, by which the proposed transaction will be effected, and agreements or other instruments associated with the proposed transaction;

(h) A statement of purpose and intent of the applicant in undertaking the proposed transaction(s);

(i) A statement of the benefits, including rates, standards of service and efficiency and adequacy of management, that would result to the customers and stockholders of the public service company or holding company the interference with, or acquisition or control of which, is the subject of the application (hereinafter "affected company");

(j) Any prospectus, official statement, preliminary prospectus or preliminary official statement prepared by or on behalf of the applicant or any other person with regard to the proposed transaction(s);

(k) Applicant's capital structure and capitalization ratios, present and pro forma (include assumptions), assuming approval of the proposed transaction(s);

(l) Applicant's interest (before and after income taxes) and fixed charge coverages, present and pro forma (include assumptions), assuming approval of the proposed transaction(s);

(m) The proposed table of organization of the management of the applicant, and of the affected company, after giving effect to the proposed transaction(s), including the name of each executive officer on each such proposed table of organization;

(n) The names of the proposed members of the board of directors of the applicant, and of the affected company, after giving effect to the proposed transaction(s);

(o) A narrative description of the proposed operations of the applicant and the affected company for the first calendar year following the effectiveness of the proposed transaction(s), including, but not limited to, employment levels and office and service center locations, and details of all changes from the existing operations of the affected company;

(p) A description of the experience of each of the applicants in the operation, management or control of any public service company, and, to the extent not otherwise provided, a statement as to the suitability of the applicants to control the affected company;

(q) A list of all department orders, rulings and regulations in effect and applicable to the affected company, and an indication of those which the applicant proposes would be discontinued in connection with the proposed transaction(s), together with a statement of the reason for each such proposed discontinuance;

(r) A list of stockholder approval and all federal, state and local governmental approvals required in order to effect the proposed transaction(s), together with a description of the status of the applicant's efforts to obtain each such approval as of the date reasonably proximate to the date of the application;

(s) A statement of the percentage of voting securities of the affected company owned or controlled by the applicant, and control exercised or capable of being exercised over the public service company after the conclusion of the proposed transaction.

(Effective October 27, 1988; transferred from § 16-1-65, August 23, 2000)

Sec. 16-47-3. Date of application

An application under section 16-47 of the Connecticut General Statutes shall be deemed filed under subsection (d) of said section on the date all the information required by section 16-1-65 of the regulations of Connecticut state agencies has been provided to the department.

(Effective October 27, 1988; transferred and amended from § 16-1-65A, August 23, 2000)

Sec. 16-47-4. Additional information

The gas, electric distribution, water, telephone or community antenna television company, or holding company, the interference with, acquisition or control of which is the subject of the application (the affected company), shall provide the following information. The required information may be included in the application, if jointly submitted, as part of the statement of application, written testimony or exhibits annexed thereto. If not provided as part of a joint application, the following information shall be filed separately in the form of written testimony or exhibits, no later than ten (10) days after the application is deemed filed under subsection (d) of section 16-47 of the Connecticut General Statutes:

(1) Financial statements for the most recent fiscal year and the pro forma period (include assumptions), with and without approval of the proposed transaction, to include balance sheet, income statement and statement of source and application of funds;

(2) Existing reporting structure for personnel, from Connecticut local operations to chief executive officer, including board of directors;

(3) Capital structure and capitalization ratios, present and pro forma (include assumptions), giving effect to the proposed transaction;

(4) Any prospectus, official statement, preliminary prospectus or preliminary official statement associated with the transaction for which approval is sought; and

(5) A statement of the interference, authority or control that applicant is capable of exercising over the affected company after completion of the proposed transaction.

(Effective October 27, 1988; transferred and amended from § 16-1-65B, August 23, 2000)

Sec. 16-47-5. Service

The applicant shall serve the application on the gas, electric distribution, water, telephone or community antenna television company, or holding company, the interference with, acquisition or control of which is the subject of the application, at the time the application is filed with the department. Service shall be in accordance with the provisions of subsection (a) of section 16-1-15 of the regulations of Connecticut state agencies.

(Effective October 27, 1988; transferred and amended from § 16-1-65C, August 23, 2000)

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Gas Code of Conduct

Sec. 16-47a-1. Definitions. Short title. Purpose. Principles

(a) **Definitions.** As used in sections 16-47a-1 to 16-47a-12, inclusive, of the Regulations of Connecticut State Agencies:

(1) “Affiliate” means “affiliate” as defined in § 16-47a(a) of the Connecticut General Statutes;

(2) “Centralized service company” or “CSC” means (A) an affiliate of a gas company that provides shared corporate support services, as defined in subdivision (14) of this subsection, on behalf of a gas company, or (B) an affiliate of a gas company whose designated primary corporate purpose is to provide shared corporate support services;

(3) “Customer information” means any information or data specific to a customer, including, but not limited to, customer personal information such as customer name, address, contact information and account number, gas consumption, load profile, billing history, or credit history, that a gas company acquires or develops in the course of its provision of utility services;

(4) “Department” means the Department of Public Utility Control or its successor;

(5) “Employee” or “Personnel” means an officer, director, worker, agent, representative, consultant, independent contractor or any other person performing various duties or obligations on behalf of or for a gas company or its affiliate;

(6) “FERC” means Federal Energy Regulatory Commission or its successor;

(7) “Fully allocated cost” means the sum of fixed and variable direct costs plus an appropriate share of fixed and variable indirect costs;

(8) “Gas assets and services” include, but are not limited to, any gas commodities, pipeline transportation contracts, local distribution infrastructure and services, or gas storage contracts;

(9) “Gas company” means “gas company” as defined in section 16-1 of the Connecticut General Statutes;

(10) “Gas marketer” means (A) any person registered to sell natural gas pursuant to section 16-258a of the Connecticut General Statutes, including any agents or representatives of such person, or (B) any person or aggregator or other entity, including any agents or representatives of such person, aggregator or entity, other than a “gas company” as defined in subdivision (9) of this subsection, that (i) engages in or is involved in natural gas transmission transactions; (ii) manages or controls natural gas transmission capacity of a natural gas transmission provider; (iii) buys, sells, trades or administers natural gas or any natural gas assets or services; or (iv) engages in financial transactions relating to the sale or transmission of natural gas or any gas assets or services;

(11) “Indirect costs” means costs of a particular good or service that cannot be directly identified, including but not limited to, overhead costs, administrative and general, and taxes;

(12) “Money pool” means a financial arrangement established by a parent company or holding company of a regulated utility, including a gas company, and administered by such parent company or a centralized service company affiliate, to (A) establish a general purpose fund into which a member thereof may lend or borrow funds through the money pool on a short-term basis to or from affiliates, and/or (B) facilitate favorable interest rates for short-term borrowings or lending by affiliates who are members of the money pool;

(13) “OCC” means the Office of Consumer Counsel or its successor;

(14) “Shared corporate support services” means services shared between or among a gas company, its parent holding company or an affiliate or division, such as human resources, procurement, information technology, regulatory services, administrative services, real estate services including property management, legal services, accounting services, environmental services, research and development, internal audit, community relations, corporate communications, financial services, financial planning and management support, customer service, billing and collection services, and corporate services;

(15) “Subsidization” means the recovery of costs from one business unit or company that are attributable to another; and

(16) “Unregulated” means not regulated by the Department or by any other state or federal agency.

(b) **Short Title. Purpose.** The short title for sections 16-47a-1 to 16-47a-12, inclusive, of the Regulations of Connecticut State Agencies shall be the “Gas Code of Conduct.” The Gas Code of Conduct, enacted pursuant to section 16-47a of the Connecticut General Statutes, set forth the standard of conduct for transactions, direct or indirect, between gas companies and their affiliates. The purpose of these regulations is to promote competitive markets and ensure that a gas company does not subsidize or provide an unauthorized benefit to its affiliates. The goal of the Gas Code of Conduct is to prevent:

(1) Gas ratepayers paying for activities that do not benefit them or making payments that are disproportionate to the benefits received;

(2) Profits being shifted from a gas company to its unregulated affiliates either by shifting costs to the gas company or by keeping the gas company out of potentially profitable market segments; and

(3) Transactions between a gas company and its affiliates where the gas company either pays excessive charges for assets, goods or services received or receives insufficient compensation for assets, goods or services provided.

(c) **Principles.** The following principles should be used whenever assets, goods or services are provided between a gas company and its affiliates:

(1) To the maximum extent practicable, in consideration of administrative costs, each gas company and each affiliate shall collect and classify costs on a direct basis for each asset, good or service provided;

(2) To the extent possible, all shared costs between a gas company and its affiliates should be traceable on the books of the gas company to the applicable account cited within the Uniform System of Accounts, and documentation shall be made available upon request to the Department or other appropriate regulatory authorities regarding transactions between a gas company and its affiliates;

(3) The allocation methods shall apply to the gas company’s affiliates in order to prevent subsidization from, and ensure equitable cost sharing among the gas company and its affiliates;

(4) Each gas company and each affiliate shall spread indirect costs, including the allocated costs of shared services, to the goods or services to which they relate using relevant cost allocators; and

(5) An audit trail shall exist with respect to all transactions between a gas company and its affiliates that relate to the regulated assets, goods and services. Consistent with subsections (c) and (d) of section 16-47a of the Connecticut General Statutes, the Department shall have complete access to all gas company and affiliate records necessary to ensure that cost allocations and affiliate transactions are conducted in accordance with the Gas Code of Conduct. The Department or any auditors acting

on behalf of the Department, not the audited companies, shall be the final arbiter of what information is relevant for a particular audit objective.

(Adopted effective February 8, 2011)

Sec. 16-47a-2. General standards of conduct

(a) Required Conduct.

Except as otherwise provided by or allowed under any federal or Connecticut law, under this Gas Code of Conduct or otherwise approved by the Department:

(1) All transfer prices charged for assets, goods or services, including the use or transfer of personnel, exchanged or shared between and among a gas company and its affiliates, shall meet the requirements of section 16-47a-7(a) of this Gas Code of Conduct, and be consistent with the Cost Allocation Manual submitted to the Department pursuant to section 16-47a-9(b)(3) of this Gas Code of Conduct;

(2) A gas company shall refuse goods or services provided by an affiliate, including a CSC, or other provider if the gas company determines that such goods or services are inferior, overpriced or would be detrimental to its ability to operate and maintain a safe gas system;

(3) A gas company shall have the burden of proving that all goods and services provided to its affiliates have been provided on the terms and conditions comparable to the most favorable terms and conditions reasonably available to the market, which shall include a showing upon the Department's request that such goods or services have been provided at a price that is consistent with the requirements of the Gas Code of Conduct;

(4) If any affiliate of a gas company experiences a default on an obligation that is material to a gas company or files for bankruptcy, and such bankruptcy is material to a gas company, the gas company shall notify the Department in advance, if possible, or as soon as possible, but not later than 10 days after such event; and

(5) Except as otherwise provided by any federal law or state statute, a gas company shall file notice with the Department no later than 45 days after the transfer of any services, functions, departments, employees, rights, obligations, assets, or liabilities between the gas company and its affiliates that would have a material effect on the gas company's public utility operations.

(b) Prohibited Conduct.

Except as otherwise provided by or allowed under any federal or Connecticut law, under this Gas Code of Conduct or otherwise approved by the Department:

(1) Cross-subsidies involving a gas company and any of its affiliates are strictly prohibited. All costs incurred by gas company personnel for or on behalf of an affiliate shall be charged to the affiliate responsible for the costs;

(2) Except as allowed in subdivision (3) of this subsection, a gas company shall not provide a financial advantage to any affiliate. For purposes of the Gas Code of Conduct, a gas company shall be deemed to provide a financial advantage to an affiliate if the gas company engages in any affiliate purchase or sales transaction that does not meet the requirements of section 16-47a-7(a) of this Gas Code of Conduct;

(3) Affiliate Financial Transactions. Except as otherwise provided in this Gas Code of Conduct or in other applicable law or as otherwise approved by the Department, a gas company shall not engage in any affiliate transaction in which the gas company: (A) provides to or shares with any affiliate any financial resource or financial benefit, including but not limited to any: (i) loan, extension of credit, guarantee or assumption of debt, indemnification, pledge of collateral; or (ii) encumbrance of or restriction on the disposition of any gas company; or (B) incurs any debt for purposes of investing in, or otherwise supporting, any business other than the provision of gas

utility services in Connecticut as regulated by the Department. Nothing in this section, however, shall prohibit a gas company from entering into money pool arrangements with its affiliates;

(4) Neither a gas company nor its affiliates may directly, or by implication, falsely and unfairly represent to a customer, gas marketer or third-party that an advantage may accrue to a party through use of the gas company's affiliates or subsidiary. Prohibited representations include, but are not limited to, the following: (A) The Department regulated services provided by the gas company are of a superior quality when services are purchased from the gas company's affiliates; (B) The merchant services for natural gas are being provided by the gas company when they are in fact being provided by an affiliate; (C) The natural gas purchased from a gas marketer shall not be reliably delivered; and (D) Natural gas must be purchased from an affiliate to receive Department regulated services;

(5) Except as authorized by the Department, a gas company shall not bill customers on behalf of an affiliate. In no circumstance may a gas company include on customer bills any reference to or information about any of its affiliates, or allow an affiliate to include billing inserts or any marketing or promotional materials in the gas company's bills to its customers without providing similar service to non-affiliates and receive same and equal compensation from both the affiliates and non-affiliates;

(6) A gas company shall not give any preference to an affiliate or a customer of an affiliate in providing regulated gas service, or conduct business in such a way as to provide preferential service, information or treatment to an affiliate over another entity at any time;

(7) A gas company shall not seek to recover from its retail customers any costs that exceed fair market value for any service provided to the gas company from its affiliates;

(8) Neither a gas company nor its affiliates may engage in any cost shifting, cross subsidies, or anticompetitive behavior with affiliates;

(9) A gas company shall not condition or tie the provision of regulated gas service to any other good or service on the purchase of any other goods or services from any of its affiliates, or allow any of its affiliates to condition the provision of any services on the purchase of any other goods or services from the gas company;

(10) A gas company shall not offer discounts, rebates, fee waivers, penalty waivers, or other special provisions for a tariff service to an affiliate or a customer of an affiliate, unless the gas company makes the offer available to all similarly situated persons, and makes the offer in a manner designed to allow all an equal ability to utilize the offering;

(11) A gas company shall not provide sales leads to its affiliates;

(12) Neither a gas company nor its affiliates may speak or appear to speak on behalf of one another in any and all contacts or communications with customers or potential customers;

(13) Except as otherwise provided in the Gas Code of Conduct, a gas company shall not acquire information on behalf of or to provide to an affiliate;

(14) A gas company shall not participate in any affiliated transactions which are not in compliance with the Gas Code of Conduct, except as otherwise provided in § 16-47a-11 of this Gas Code of Conduct; and

(15) Neither a gas company nor its affiliates may utilize permitted communications or take any other actions either directly or indirectly through a third party to circumvent the Gas Code of Conduct.

(c) **Nondiscrimination.** Nondiscrimination standards under this subsection apply in conjunction with all the standards under the Gas Code of Conduct when a similar standard overlaps:

(1) A gas company's employees shall not unduly discriminate against non-affiliated entities;

(2) A gas company shall not provide any preference to an affiliate, nor to any customers of an affiliate, as compared to non-affiliates or their customers, in responding to requests for services or in providing services. No affiliates of a gas company shall represent to any person or entity that the affiliates will receive any such preference;

(3) A gas company shall apply the provisions of its tariffs equally and in the same manner to every customer or other entity whether such customer or other entity (A) is the gas company's affiliate or non-affiliate, (B) is a customer of the gas company's affiliate or non-affiliate, or (C) uses affiliated or nonaffiliated marketers or brokers;

(4) A gas company shall not give any customer using its affiliate's preference with respect to any tariff provisions that provide discretionary waivers;

(5) A gas company shall process all similar requests for gas services in the same timely manner, whether requested on behalf of its affiliates or non-affiliates;

(6) A gas company shall uniformly enforce its tariff provisions;

(7) A gas company shall not, through a tariff provision or otherwise, give its marketing affiliate and/or its customers any preference over a customer using a nonaffiliated marketer in matters relating to transportation or curtailment priority;

(8) No employees of a gas company shall indicate, represent, or otherwise give the appearance to another party that any affiliate of the gas company speaks on behalf of the gas company, provided however, that this prohibition does not apply to employees of an affiliate providing shared services to the gas company and its affiliates to the extent explicitly provided for in an affiliate or service agreement. No personnel of any affiliate of a gas company shall indicate, represent, or otherwise give the appearance to another party that they speak on behalf of the gas company;

(9) No employees of a gas company or its affiliates shall indicate, represent, or otherwise give appearance to another party that any advantage to that party with regard to gas services exists as the result of that party dealing with the affiliate, as compared with a non-affiliate;

(10) A gas company shall not disclose or cause to be disclosed to its marketing affiliate or any nonaffiliated marketer any information that it receives through its processing of requests for or provision of gas services;

(11) A gas company shall not condition or otherwise tie the provision or terms of any gas services or agreements (including prearranged capacity release) for the release of interstate or intrastate pipeline capacity to the purchasing of any goods or services from, or the engagement in business of any kind with, any affiliate of a gas company; and

(12) When an employee of a gas company receives a request for information from or provided information to a customer about goods or services available from an affiliate, the employee of the gas company shall decline to provide such information.

(d) **Transparency.** A gas company shall not offer or sell un-tariffed distribution or gas assets or services to its affiliates without contemporaneously making sufficient offers thereof to the market pursuant to a method approved or prescribed by the Department. A gas company shall maintain a chronological log of these public

disseminations. The chronological log shall be open for public inspection during normal business hours.

(e) **Unlawful Affiliate Transactions.** All affiliate transactions involving a gas company shall be subject to review by the Department in accordance with section 16-8c and section 16-47a(c) of the Connecticut General Statutes and shall be declared void if found to be unjust or unreasonable and made for the purpose or with the effect of concealing, transferring or dissipating the earnings of a gas company. All such affiliated costs and expenses shall be subject to being audited in accordance with section 16-8 of the Connecticut General Statutes and disallowed within the context of a general rate case in accordance with section 16-19 of the Connecticut General Statutes.

(f) **Emergencies.** Nothing in this Gas Code of Conduct shall prohibit a gas company from taking any actions necessary to ensure public safety and system reliability, or prohibit communications between a gas company and its affiliates necessary to restore gas company service or to prevent or respond to emergency conditions.

(Adopted effective February 8, 2011)

Sec. 16-47a-3. Customer information

(a) Except with the informed consent of the customer and in compliance with all applicable consumer protection statutes and regulations, a gas company shall not disclose or make available to its affiliates any customer lists or other specific customer information.

(b) Except as otherwise allowed under this Gas Code of Conduct, no gas company or affiliate shall not disclose customer information to any person or company, without the customer’s consent, and then only to the extent specified by the customer. Consent to disclosure of customer information to affiliates may be obtained by means of written authorization, electronic authorization or recorded verbal authorization. Each gas company and affiliate shall retain such authorization for verification purposes for as long as the authorization remains in effect. Each customer information disclosure authorization form shall either be pre-approved by the Department or contain the following language:

“CUSTOMER INFORMATION DISCLOSURE AUTHORIZATION

[The Gas Company]’s affiliates offer goods and services that are separate from the regulated services provided by the gas company. These goods and services are not regulated by the Department of Public Utility Control. These goods and services may be available from other competitive sources.

The customer authorizes [the Gas Company] to provide any data associated with the customer account(s) residing in any [the Gas Company] files, systems or databases [or specify specific types of data] to the following Affiliate(s) _____. [The Gas Company] will provide this data on a non-discriminatory basis to any other person or entity upon the Customer’s authorization.”

(c) If the customer allows or directs a gas company to provide customer information to an affiliate, the gas company shall ask the customer if he, she or it would like the customer information to be provided to one or more non-affiliates. If the customer directs the gas company to provide customer information to one or more non-affiliates, the customer information shall be disclosed to all entities designated by the customer contemporaneously and in the same manner.

(d) Each gas company shall permanently post Subsections (b) and (c) of this section on its website.

(e) No gas company employee who is transferred to, or being shared with, an affiliate of the gas company shall share any customer information for use by such affiliate except pursuant to written permission from the customer, as reflected by a signed data disclosure authorization consistent with subsection (b) of this section. A gas company shall not transfer any personnel to, or share any personnel with, any affiliate for the purpose of disclosing or providing customer information to such affiliate.

(f) Notwithstanding the prohibitions established in this section, a gas company may disclose customer information to an affiliate (including a CSC) or non-affiliated third party each without customer consent, but only to the extent necessary for the affiliate or non-affiliated third party to provide goods or services (including shared corporate support services such as customer service, billing and collection services) to the gas company and upon their explicit agreement to protect the confidentiality of such customer information.

(g) Each gas company shall take steps to prevent inappropriate disclosure of customer information.

(h) Each gas company shall establish guidelines for its employees to follow with regard to complying with this section.

(i) Each gas company shall make general or aggregated customer information available to affiliated or unaffiliated entities upon similar terms and conditions. A gas company may set reasonable charges for costs incurred in producing customer information.

(Adopted effective February 8, 2011)

Sec. 16-47a-4. System operation information. Trade secrets

(a) A gas company shall not disclose to any of its unregulated affiliates any confidential systems operation information, trade secrets, or proprietary information such as confidential market analysis reports, surveys, research, forecasts, planning or strategic reports, unless it discloses such information to all competitors of such unregulated affiliates contemporaneously and in accordance with a procedure approved in advance by the Department, and provided such disclosure is consistent with all applicable federal laws or state statutes and regulations. The prohibition of this subsection does not apply to the following:

(1) Disclosure of such confidential information to another Connecticut-regulated public service company, other regulated affiliate, or a CSC; or

(2) Disclosure of such confidential information where:

(A) A state or federal regulatory agency or court having jurisdiction over the disclosure of such information requires the disclosure;

(B) The information is provided to employees of an affiliate pursuant to any agreement filed with Department, provided that the agreement specifically describes the type of information to be disclosed;

(C) The information is provided to employees of an affiliate for the purpose of sharing best practices and otherwise improving the provision of regulated utility service;

(D) Disclosure is otherwise essential to enable a gas company to provide gas services to its customers;

(E) Disclosure of the information provided to an unregulated affiliate would expose proprietary information surrounding a consortium effort to sell or purchase gas assets or other services designed to maximize profit or reduce costs for utility ratepayers; or

(F) Disclosure of the information is necessary for compliance with the Sarbanes-Oxley Act of 2002.

(b) Any confidential system operation information, trade secrets, or other proprietary information disclosed pursuant to the exceptions in subsection (a) of this section shall be disclosed only to employees that need the information for the purposes covered by those exceptions and in as limited a manner as possible. The employees receiving such information shall not act as conduits to pass the information to any unregulated affiliates if such action results in a violation of this Gas Code of Conduct and shall have explicitly agreed to protect the confidentiality of such information.

(c) For disclosures pursuant to the exceptions of subsection (a) of this section, a gas company shall include in its annual affiliate transaction report required by section 16-47a-8(c) of this Gas Code of Conduct, the following information: (1) the type of information disclosed and the names of the unregulated affiliates to which it is being, or has been, disclosed; (2) the time and date of the disclosure; and (3) the reasons for the disclosure.

(d) No technology or trade secrets developed, obtained, or held by a gas company in the conduct of regulated operations shall be transferred to an unregulated affiliate without just compensation or prior approval from the Department. Nothing herein however shall affect the provision of shared corporate support services that are otherwise in compliance with this Gas Code of Conduct.

(Adopted effective February 8, 2011)

Sec. 16-47a-5. Joint purchases. Centralized support services. Shared services and properties

(a) **Joint Purchases.** Except as otherwise prohibited by the Department, a gas company and its affiliates may make joint purchases of goods and services. Examples of permissible joint purchases shall include joint purchases of general office supplies and telephone services. A gas company shall ensure that all joint purchases are priced, reported, and conducted in a manner that permits clear identification of the gas company and its affiliates' portion(s) of such purchases, and in accordance with the Gas Code of Conduct as well as other applicable Department pricing, allocation and reporting requirements.

(b) **Centralized Support Services.** A gas company, its parent holding company, or any other affiliate may share joint corporate oversight, governance, management and administrative activities, support systems, personnel and shared corporate support services. Any shared or joint corporate support services, management or administrative activities shall be priced, reported and conducted in accordance with the Gas Code of Conduct as well as other applicable Department pricing and reporting requirements.

(c) Shared Employees, Equipment and Properties.

(1) Except as otherwise prohibited by the Department, a gas company and its affiliates may share employees. However, with the exception of other Connecticut regulated public service companies, or in connection with shared corporate support services, the use of shared employees shall be minimized and shall be subject to all of the following limitations and requirements:

(A) If a shared employee acquires knowledge of any private market sensitive information, such employee is prohibited from sharing such information or using such information to the unfair competitive advantage of any company; and

(B) A gas company shall ensure that all shared employees shall record time in a manner consistent with a master service framework or service agreement, which shall be maintained routinely and available for Department review upon request. A

master service framework or service agreement shall clearly identify the job titles or positions, the salary and benefits or each position and the portion or percentage of such salary or benefits to be borne by the gas company and each affiliate.

(2) Except as otherwise prohibited by the Department, a gas company and its affiliates may share the use of vehicles, equipment and office space provided the provision of such services is established in a master framework or service agreement that is available for Department review and is not anticompetitive or discriminatory.

(d) A gas company shall not share with an unregulated affiliate any market analysis report, survey, research or any other type of report that is proprietary or not available to the public, including, without limitation, a forecast, planning or strategic report.

(Adopted effective February 8, 2011)

Sec. 16-47a-6. Marketing

(a) This section shall not apply to interactions between a gas company and another Connecticut-regulated utility company.

(b) A gas company shall not promote or market any goods or services offered by an unregulated affiliate, or engage in joint promotions, advertising or marketing programs of any sort with an unregulated affiliate. A gas company shall not authorize any unregulated affiliate marketing, promotions or advertising to be included on customers' bills, as bill inserts or as a link on the gas company's website.

(c) A gas company's name, logo or trademark may be used by an affiliate provided such use is not misleading. When an affiliate markets or communicates to the public using a gas company's name, logo or trademark, it shall include a legible disclaimer that clearly and conspicuously states that:

(1) The affiliate is not the same company as the gas company and the gas company has separate management and separate employees;

(2) If the affiliate is an unregulated affiliate, the disclaimer shall state that the affiliate is not regulated by the Department or in any way sanctioned by the Department, and the prices of the affiliate are not regulated by the Department;

(3) Purchasers of goods or services from an affiliate will receive no preference or special treatment from the gas company; and

(4) A customer does not have to buy natural gas or other goods or services from the affiliate to receive the same quality of service from the gas company.

(d) The disclaimer required in subsection (c) of this section shall be sized and displayed in a way that is commensurate with the name and logo so that the disclaimer is at least the larger of one-half the size of the type that first displays the name and logo or the predominant type used in the communication.

(e) When an affiliate advertises or communicates verbally through radio or television to the public using the gas company's name or logo, the affiliate shall include at the conclusion of the communication a disclaimer that includes all these same disclaimers. Such disclaimers shall not be required, however, on company vehicles, clothing, trinkets, writing instruments, or similar promotional materials or in any advertising or other promotional materials including those involving charities or charitable events or direct or indirect contributions to and/or support of charities or similar organizations.

(Adopted effective February 8, 2011)

Sec. 16-47a-7. Pricing of transfers of assets, goods and services

(a) Except as otherwise provided by any federal law or state statute or approved by the Department, all transfer prices charged for assets, goods or services, including

the use or transfer of personnel, exchanged or shared between and among a gas company and its affiliates, shall be consistent with the Cost Allocation Manual submitted to the Department pursuant to section 16-47a-9(b)(3) of this Gas Code of Conduct, and shall meet the following requirements:

(1) Purchases from CSCs and regulated public service companies. If a gas company buys goods or services from a CSC or another regulated public service company, the gas company shall not pay more than the fully allocated cost of the selling affiliate and shall have the burden of proving, if required by the Department, that all goods and services procured from the selling affiliate have been procured on terms and conditions comparable to the most favorable terms and conditions reasonably available in the relevant market. Such fully allocated cost shall be entitled to a rebuttable presumption of reasonableness where reasonableness is typically measured by fair market value;

(2) Purchases from unregulated affiliates. If a gas company buys goods or services from an unregulated affiliate, the gas company shall pay the lower of the fair market value or the unregulated affiliate's fully allocated cost, and shall have the burden of proving that all goods or services procured from the unregulated affiliate have been procured on terms and conditions comparable to the most favorable terms and conditions reasonably available in the relevant market. At a minimum, a gas company shall be prepared to show that comparable goods or services could not reasonably have been procured at a lower price from other qualified sources or that a gas company could not have provided the services or goods itself on the same basis at a lower cost; and

(3) Sales. If a gas company sells goods or services to any affiliate, the gas company shall be compensated not less than the fair market value of such goods or services. A gas company shall obtain the Department's approval prior to selling to any affiliate any goods or services where the total proceeds of such sale are \$150,000 or more and where the sale price is less than the fair market value of the good or service.

(b) For purposes of this section, the fair market value of any asset, good or service shall be based on the highest price that the asset, good or service could have been reasonably realized after an open and competitive sale. If a gas company does not engage in competitive solicitation and instead obtains the assets, goods or services from an affiliate, the gas company shall implement adequate processes to comply with the requirements of subsection (a) of this section and ensure that in each case the gas company's customers receive service at the lowest reasonable cost. Under appropriate circumstances, prices may be based on incremental cost or other appropriate pricing mechanisms.

(c) Tariffed goods and services provided by a gas company to an affiliate shall be provided at the same prices and terms authorized by the applicable tariff and made available to similarly situated customers under the applicable tariff.

(d) Costs that a gas company incurs in assembling, compiling, preparing or furnishing requested customer information or confidential systems operation information for or to an affiliate, to the extent permitted under this Gas Code of Conduct, shall be recovered from the requesting party.

(Adopted effective February 8, 2011)

Sec. 16-47a-8. Evidentiary standards for affiliated transactions

(a) **General standards.** All gas company transactions with a CSC shall be by master service agreement. All other affiliate transactions involving non-tariffed goods or services shall be recorded in writing by means of such instruments as

service agreements, contracts, billing invoices, vouchers, or work orders. All such written instruments shall contain adequate descriptions of the goods or services to be provided. An executed written contract or agreement is required of any affiliate transaction, including a transaction with a CSC, that: (1) is over \$100,000; (2) involves any cost allocation between a gas company and any affiliate; or (3) materially impacts the operation of a gas company, provided, however, that such executed written contract or agreement is not required of any transaction with a CSC which is already covered under a master service agreement. Such contract or agreement shall be filed with the Department no later than 10 days after the execution of the contract or agreement, and shall be voidable on order of the Department, but may be enforced as between the parties unless disapproved. There shall be an arms length relationship between the parties representing a gas company and its affiliates on both sides of any affiliated transaction, contract or agreement.

(b) For every affiliate transaction (other than the sale of tariffed goods or services) in which a gas company is the seller, a gas company shall demonstrate that it:

- (1) Considered all costs incurred to complete the transaction;
- (2) Calculated the costs at times relevant to the transaction; and
- (3) Allocated all joint and common costs appropriately.

(c) **Annual Affiliate Transactions Reports.**

(1) Reporting requirements for transactions between a gas company and a CSC. No later than March 31 of each year, each gas company shall submit to the Department the following information, for activity through December 31 of the preceding year:

- (A) A copy of all master service agreements;
- (B) Annual summary prices paid for services rendered or goods provided pursuant to such service agreement; and
- (C) A copy of "FERC Financial Report Form No. 60" filed pursuant to 18 C.F.R. § 366.23.

(2) Reporting requirements for transactions between and among a gas company and an affiliate other than a CSC and transactions involving non-tariffed goods and services. No later than March 31 of each year, each gas company shall submit to the Department an affiliate transaction report for activities through December 31 of the preceding year. Each report shall provide, at minimum, the following information about each transaction:

- (A) The date of the transaction;
- (B) The nature and quantity of the information, assets, goods and services provided to or received from affiliates;
- (C) The total and itemized costs or price charged to each affiliate and a copy of any contract, agreement or work order with affiliates, if applicable; and
- (D) The basis used (e.g., fair market price or fully allocated cost) or an explanation of how the price was derived.

(d) **Affiliated Transactions Records.** In addition to complying with subsection (c) of this section, each gas company shall maintain the following information, as applicable, regarding all affiliate transactions and produce such information upon the Department's request:

- (1) Records identifying the basis used (e.g., fair market price or fully allocated cost) to price all affiliate transactions;
- (2) Books of accounts and supporting records in sufficient detail to permit verification of compliance with the Gas Code of Conduct;

(3) Copies of all contracts, agreements, work orders or related bids for the provision of work, goods or services for or from an affiliate;

(4) A full and complete list of all affiliate transactions undertaken with affiliates without a written contract together with a brief explanation of why there was no contract; and

(5) A log of all waivers of a contract provision, and discounts given by the gas company to an affiliate.

(e) **Audit of Affiliate Transactions.** Every management audit performed pursuant to section 16-8 of the Connecticut General Statutes shall include an audit of affiliate transactions between a gas company and its affiliates and a gas company's written procedures in connection with this Gas Code of Conduct. The scope of the affiliate transactions audit shall include a review of a gas company's and its affiliates' compliance with the Gas Code of Conduct and all other related federal or state laws, and the summary and findings of such audit shall be detailed in a distinct section of any management audit report issued pursuant to section 16-8 of the Connecticut General Statutes.

(Adopted effective February 8, 2011)

Sec. 16-47a-9. Record keeping requirements

(a) **Separate books and records.** A gas company shall maintain its books of account and records completely separate and apart from those of its affiliates in a manner that will allow clear and easy affiliate identification on an ongoing basis.

(b) **Cost Allocation Manual (CAM).**

(1) Each gas company shall maintain a CAM which shall govern the assignment and allocation of direct, indirect, and other costs associated with goods and services provided by a gas company to its affiliates, or provided by an affiliate to a gas company, or shared between a gas company and any of its affiliates as permitted under section 16-47a-5 of this Gas Code of Conduct. Each CAM shall include, at minimum, the following:

(A) An organization chart of the holding company, depicting all affiliates and regulated entities;

(B) A description of all assets, goods and services (or classes relating thereto) provided to and from, or shared between, the gas company and each of its affiliates; and

(C) A description of the cost allocators and methods used by the gas company and by its affiliates related to all assets, goods or services transferred or shared between the gas company and its affiliates;

(2) A gas company shall make its CAMs available to its internal auditors for periodic review of the allocation policy and process;

(3) Each CAM shall be updated annually. No later than March 31 of each year, each gas company shall file with the Department (A) an updated CAM to be in effect for the current year, and (B) a redlined version of the updated CAM, or a report identifying any and all changes or revisions that had been made to the updated CAM;

(4) Each gas company shall review allocation factors annually, and the result of such review shall be reflected in the CAMs filed pursuant to subdivision (3) of this subsection;

(5) The Department may, at any time, order an independent audit or review of a CAM. The cost of any such independent audit or review shall be shared between the gas company and its affiliates consistent with the allocation of similar common costs. Any audit or review of a CAM shall not otherwise limit or restrict the authority

of the Department to have access to the books and records of and audit the operations of the gas company; and

(6) Any entity required to provide access to its books and records may request the Department, consistent with the Department's procedures and practice, for appropriate protective orders for competitively sensitive information.

(c) **Shared personnel and facilities.** A gas company shall document each occasion that one of its employees transfers to an affiliate and each occasion that an employee of one of its affiliates transfers to the gas company. Such documentation shall include a brief description of the employee's position and responsibility before and after the transfer. A gas company shall maintain up to date books, accounts and records which (1) show all costs of shared facilities and personnel, which shall be fully and transparently allocated between a gas company and its affiliates, and (2) identify all costs incurred on behalf of an affiliate.

(d) **List of Affiliates.** Each gas company shall maintain a complete and accurate list of all of its affiliates. This list shall include the name and address of each affiliate and the name and contact information of at least one officer of each affiliate. A gas company shall file this list with the Department no later than March 31 of each year and shall make this list available to the public upon request.

(e) **Books and Records of Affiliates.** Each gas company shall ensure that its parent and all other affiliates maintain books and records that include, at a minimum, the following information regarding affiliate transactions:

(1) Documentation of the cost associated with affiliate transactions that are incurred by the parent or affiliated entity and charged to the gas company;

(2) Documentation of the methods used to allocate and/or share costs between affiliated entities, including other jurisdictions and/or corporate divisions;

(3) Description of costs that are not subject to allocation to affiliate transactions and documentation supporting the nonassignment of these costs to affiliate transactions;

(4) Description of the types of services that corporate divisions and/or other centralized functions provided to any affiliated entity or division accessing the gas company's contracted services or facilities;

(5) Names and job descriptions of the employees from the gas company that transferred to an unregulated affiliated entity; and

(6) Policies regarding the availability of customer information and the access to services available to unregulated affiliated entities desiring use of the gas company's contracts and facilities.

(f) **Access to Affiliate Records.**

(1) The Department shall have complete access to all applicable affiliate records, consistent with section 16-47a of the Connecticut General Statutes, necessary to ensure that cost allocations and affiliate transactions are conducted in accordance with the Gas Code of Conduct and to evaluate whether subsidization exists. In accordance with and to the extent permitted under section 16-8c and section 16-47a of the Connecticut General Statutes, the Department may (A) review, inspect and audit books, accounts and other records kept by a gas company or affiliates, or (B) investigate the operations of a gas company or an affiliate and their relationship to each other, for the sole purpose of ensuring compliance with the Gas Code of Conduct. The Department or any auditors acting on behalf of the Department, not the audited gas company or affiliate, shall determine what information is relevant for a particular audit objective.

(2) If such affiliate records cannot be reasonably made available to the Department and OCC staff in the state of Connecticut, then upon request of the Department or

OCC staff, the appropriate gas company or affiliate shall reimburse the Department or OCC for travel expenses reasonably incurred.

(g) **Log of Emergency Actions and Communications.** Each gas company shall maintain a log of all actions or communications made pursuant to section 16-47a(g) of the Connecticut General Statutes or section 16-47a-2(f) of this Gas Code of Conduct.

(h) **Record Retention.** Records required under the Gas Code of Conduct shall be maintained by each gas company for a period of not less than 10 years.

(Adopted effective February 8, 2011)

Sec. 16-47a-10. Written procedure and employee training

(a) Each gas company shall create, maintain and update annually written procedures which ensure compliance with the Gas Code of Conduct. Said written procedures shall be first filed with the Department no later than September 1, 2011, and any material amendments to said procedures shall be filed with the Department by the next March 31 immediately following the respective dates of each said amendments. Such written procedures shall include, at minimum:

(1) All internal rules, practices, financial record keeping requirements, and other policies governing affiliate transactions among or between the gas company and its affiliates;

(2) The names and addresses of all the gas company's affiliates that participate in affiliate transactions with the gas company;

(3) An organizational chart depicting the ownership relationships between the gas company and its affiliates; and

(4) A description of the types of assets, goods and services provided in any existing affiliate transaction lasting more than one year.

(b) On an annual basis, each gas company shall train those of its employees that it reasonably identifies as requiring training in order to comply with this Gas Code of Conduct in (1) all the provisions of the Gas Code of Conduct, (2) all procedures or processes to ensure compliance with the Gas Code of Conduct and all applicable statutes, and (3) the processes or methods for identifying shared employees, and the appropriate conduct or specific information that can be disclosed to such shared employees. Each gas company shall make the training logs available to the Department upon request.

(Adopted effective February 8, 2011)

Sec. 16-47a-11. Waiver and variance

(a) The Department may, upon its own motion or upon the request of any gas company, waive, for a specified period of time or event, any of the requirements of this Gas Code of Conduct that are not required by statute upon a finding of good cause and that the waiver would not be inconsistent with the purpose of section 16-47a of the Connecticut General Statutes or this Gas Code of Conduct.

(b) A gas company may request a variance from any standard in the Gas Code of Conduct from the Department. The granting of an exception to one gas company does not constitute a waiver respecting or otherwise affect the required compliance of any other gas companies to comply with the standards. The scope of the exception will be determined based on the facts and circumstances surrounding each request.

(c) A gas company may engage in an affiliate transaction not in compliance with the standards set out in the Gas Code of Conduct when, to its best knowledge and belief, compliance with the standards would not be in the best interests of its ratepayers, provided such gas company:

(1) Complies with all reports and record retention requirements for each affiliate transaction; and

(2) Files notice of the noncomplying affiliate transaction with the Department no later than 10 days of the occurrence of the noncomplying affiliate transaction. The notice shall provide a detailed explanation of why the affiliate transaction should be exempted from the requirements of the Gas Code of Conduct, and shall provide a detailed explanation of how the affiliate transaction was in the best interests of the ratepayers. Within thirty (30) days of the notice of the noncomplying affiliate transaction, any party shall have the right to request a hearing regarding the noncomplying affiliate transaction. The Department may grant or deny the request for hearing at that time. If the Department denies a request for hearing, the denial shall not in any way prejudice a party's ability to challenge the affiliate transaction at the time of the annual CAM filing. At the time of the filing of a gas company's annual CAM filing a gas company shall provide the Department a listing of all noncomplying affiliate transactions which occurred between the period of the last filing and the current filing. Any affiliate transaction submitted pursuant to this section shall remain interim, subject to a final Department determination on whether the noncomplying affiliate transaction had an adverse impact on the costs or revenues of the gas company.

(Adopted effective February 8, 2011)

Sec. 16-47a-12. Dispute resolution and complaint procedure

(a) A gas company shall establish and file with the Department a dispute resolution procedure to address complaints alleging violations of the Gas Code of Conduct and to resolve potential complaints that arise due to the relationship between a gas company and its affiliates. Such procedure shall designate an employee of the company as "hearing officer" to conduct an investigation of the complaint, require that such person communicate the results of the investigation to the claimant in writing within thirty (30) days after the complaint is received, and require that such communication describe any action taken and notify the complainant of his or her right to complain to the Department if not satisfied with the result of the investigation.

(b) Any dispute resolution and complaint procedure implemented pursuant to subsection (a) of this section shall not affect a complainant's right to file a formal complaint or otherwise address questions to the Department.

(c) **Violation Complaints or Disputes Log.** A gas company shall maintain a log of all new, resolved and pending complaints alleging violations of the Gas Code of Conduct. The log shall be subject to review by the Department and shall include, at minimum, the following information: (1) the date the complaint was received by the gas company or the date the gas company became aware of the complaint; (2) the complainant's name and contact information, subject to any applicable whistleblower federal or state laws; (3) a brief description of the complaint; (4) a description of how the complaint has been resolved; and (5) if the complaint has not been resolved by the gas company within thirty (30) days, an explanation for the delay.

(Adopted effective February 8, 2011)

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Part 1

Scope and Construction of Rules

Sec. 16-50j-1. Description of organization

(a) General Course of Operations.

The Connecticut Siting Council (Council), formerly known as the Power Facility Evaluation Council, was established in the executive branch of the state government by Public Act 575 of the 1971 General Assembly. The Public Utility Environmental Standards Act (PUESA), Title 16, Chapter 277a of the Connecticut General Statutes, governs the operation of the Council.

The Council is charged with:

(1) balancing the need for adequate and reliable public utility services at the lowest reasonable cost to consumers with the need to protect the environment and ecology of the state and to minimize damage to scenic, historic, and recreational values;

(2) providing environmental quality standards and criteria for the location, design, construction and operation of facilities for the furnishing of public utility services at least as stringent as the federal environmental quality standards and criteria, and technically sufficient to assure the welfare and protection of the people of the state;

(3) encouraging research to develop new and improved methods of generating, storing, and transmitting electricity and fuel and of transmitting and receiving television and telecommunications signals with minimal damage to the environment;

(4) promoting energy security;

(5) promoting the sharing of towers for fair consideration wherever technically, legally, environmentally and economically feasible to avoid the unnecessary proliferation of towers in the state;

(6) requiring annual forecasts of the demand for electric power, together with identification and advance planning of the facilities needed to supply that demand; and

(7) facilitating local, regional, state-wide and interstate planning.

(b) Public Participation.

The public may participate in the Council process in one of two ways: through party or intervenor status, or through a limited appearance by submission of oral or written comments to the Council. Information describing the types of participation is discussed in depth on the Council website, available at www.ct.gov/csc. The Council's website provides information regarding pending and past proceedings, forms and instructions, and statements of policy. The public is welcome to contact Council staff and make requests for information during normal business hours from 8:30 AM to 4:30 PM each weekday except Saturdays, Sundays and holidays, either in person at the Council office located at 10 Franklin Square, New Britain, CT 06051, by phone at (860) 827-2935, by fax at (860) 827-2950 or by e-mail at siting.council@ct.gov.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-1a. Procedure governed

Sections 16-50j-1 to 16-50z-4, inclusive, of the Regulations of Connecticut State Agencies govern practice and procedure before the Connecticut Siting Council under the applicable laws of the state of Connecticut and except where by statute otherwise provided. Additional regulations pertaining to hazardous waste proceedings and pertaining to low-level radioactive waste management proceedings appear in Title 22a of the Regulations of Connecticut State Agencies.

(Effective September 7, 2012)

Sec. 16-50j-2.

Repealed, March 7, 1989.

Sec. 16-50j-2a. Definitions

As used in Sections 16-50j-1 to 16-50z-4, inclusive, of the Regulations of Connecticut State Agencies, except as otherwise required by the context:

(1) “Associated equipment” includes, but is not limited to:

(A) any building, structure, fuel tank, backup generator, antenna, satellite dish, or technological equipment, including equipment intended for sending or receiving radio frequency signals that is a necessary component for the operation of a community antenna television tower or telecommunications tower; or

(B) any building, structure, fuel tank, backup generator, transformer, circuit breaker, disconnect switch, control house, cooling tower, pole, line, cable, conductor or emissions equipment that is a necessary component for the operation of an electric transmission line facility, fuel transmission facility, electric generating or storage facility, or electric substation or switchyard.

(2) “Attorney” means an attorney at law, duly admitted to practice before the Superior Court of the state of Connecticut. Any other person who appears before the Council in any contested case or petition for a declaratory ruling shall be deemed to appear as the agent or representative of a person, firm, corporation, or association upon filing with the Council a written notification of appearance and the written authorization of the person, firm, corporation, or association being represented.

(3) “Certificate” means a certificate of environmental compatibility and public need as described by Section 16-50k of the Connecticut General Statutes or a certificate of public safety and necessity as described by Section 22a-117 of the Connecticut General Statutes to be issued, denied, conditioned, limited, modified, or amended, in accordance with the disposition of applications authorized by law to be submitted to the Council.

(4) “Chairperson” means the public member of the Council appointed pursuant to the provisions of Section 16-50j of the Connecticut General Statutes.

(5) “Collocation” means the mounting or installation of antennas and associated equipment on an existing tower or other structure for the purpose of transmitting or receiving radio frequency signals for communications purposes that is unlikely to have a significant adverse environmental effect and does not increase the tower height.

(6) “Component” means a part of a mechanical or electrical system.

(7) “Contested case” means a contested case as defined in Section 4-166(2) of the Connecticut General Statutes.

(8) “Council” means the members of the Connecticut Siting Council appointed under Section 16-50j(b) and Section 16-50j(c) of the Connecticut General Statutes and referred to in Section 16-50j(d) and Section 22a-115 of the Connecticut General Statutes.

(9) “Facility” means a facility as defined in Section 16-50i(a) of the Connecticut General Statutes.

(10) “Fuel” means a fuel as defined in Section 16a-17 of the Connecticut General Statutes.

(11) “Hazardous waste facility” means land and appurtenances thereon or structures used for the disposal, treatment, management, storage, or recovery of hazardous waste as these terms are defined in Section 22a-115 of the Connecticut General Statutes.

(12) “Hearing” means a proceeding whereby witnesses may be examined, and oral or documentary evidence may be received.

(13) “Intervenor” means a person other than a party, granted status as an intervenor by the Council in accordance with Section 16-50n of the Connecticut General Statutes.

(14) “Limited appearance” means the type of participation in a contested case, and the rights prescribed therefor in accordance with the provisions of Sections 22a-120(b) and 16-50n(f) of the Connecticut General Statutes.

(15) “Modification” means a significant change or alteration in the general physical characteristics of a facility, including, but not limited to, design, capacity, process or operation that the Council deems significant, except where a modification involves a temporary facility as determined by the Council.

(A) As defined pertaining to a hazardous waste facility “modification” means:

(i) any change or alteration in the design, capacity, process or operation of an existing hazardous waste facility requiring a new permit from the Commissioner of Energy and Environmental Protection pursuant to chapter 445, 446d, or 446k of the Connecticut General Statutes, that the Council deems significant, or

(ii) any change or alteration in the approved design, capacity, process or operation of a hazardous waste facility constructed or operating pursuant to chapter 445 of the Connecticut General Statutes that the Council deems significant. Such change or alteration may include, but is not limited to, a change or alteration in the volume or composition of hazardous waste managed at such facility. The routine maintenance, repair, or replacement of the individual components at a hazardous waste facility that is necessary for normal operation or a change or alteration at a hazardous waste facility ordered by a state official in the exercise of his or her statutory authority shall not be deemed to be a modification.

(B) As defined pertaining to a low-level radioactive waste management facility, “Modification” means any change or alteration in the approved design, capacity, process or operation of a low-level radioactive waste management facility constructed or operating pursuant to the provisions of the Northeast Interstate Low-Level Radioactive Waste Management Compact, Sections 22a-161, et seq. of the Connecticut General Statutes.

(16) “Municipality” means a city, town, or borough of the state, and “municipal” has a correlative meaning.

(17) “Party” means each person entitled to be a party in a contested case pursuant to the provisions of Section 16-50n(a) of the Connecticut General Statutes, or, in the event of a hazardous waste facility proceeding, pursuant to the provisions of Section 22a-120(a) of the Connecticut General Statutes.

(18) “Person” means any person as defined in Section 16-50i of the Connecticut General Statutes except for proceedings under Chapter 445. For proceedings under Chapter 445, “person” means any person as defined in Section 22a-115 of the Connecticut General Statutes.

(19) “Presiding Officer” means the Chairperson of the Connecticut Siting Council, or the Chairperson’s designee.

(20) “Regional Low-Level Radioactive Waste Management Facility” or “Low-Level Radioactive Waste Management Facility” means a facility to be located in Connecticut, including the land, buildings, equipment, and improvements authorized by the Northeast Interstate Low-level Radioactive Waste Commission to be used or developed for the receipt, treatment, storage, management, or disposal of the low-level radioactive wastes generated within the party states to the Northeast Interstate Low-level Radioactive Waste Management Compact as these terms are defined in Section 22a-161 of the Connecticut General Statutes.

(21) “Renewable Energy Sources” include, but are not limited to, solar photovoltaic, solar thermal, wind, ocean thermal, wave or tidal, geothermal, landfill gas, hydropower or biomass.

(22) “Site” means a contiguous parcel of property with specified boundaries, including, but not limited to, the leased area, right-of-way, access and easements on which a facility and associated equipment are located, shall be located, or are proposed to be located.

(23) “Tower” means a structure, whether free standing or attached to a building or another structure, that has a height greater than its diameter and that is high relative to its surroundings, or that is used to support antennas for sending or receiving radio frequency signals, or for sending or receiving signals to or from satellites, or any of these, which is or is to be:

(A) used principally to support one or more antennas for receiving or sending radio frequency signals, or for sending or receiving signals to or from satellites, or any of these, and

(B) owned or operated by the state, a public service company as defined in Section 16-1 of the Connecticut General Statutes, or a certified telecommunications provider, or used in a cellular system, as defined in Section 16-50i(a) of the Connecticut General Statutes.

(24) “Tower Base” means the top of the foundation or equivalent surface that shall bear the vertical load of a tower.

(25) “Tower Height” means the measurement from ground level to the highest point on the tower.

(26) “Tower Share” means collocation on a facility in accordance with Section 16-50aa of the Connecticut General Statutes.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-3. Waiver of rules

Where good cause appears, the council may permit deviation from these rules, except where precluded by statute.

(Effective July 3, 1972)

Sec. 16-50j-4. Construction and amendment

These rules shall be so construed by the council as to secure just, speedy, and inexpensive determination of the issues presented hereunder. Amendments and additions to these rules may be adopted by the council in accordance with the authority delegated to the council by law.

(Effective March 7, 1989)

Sec. 16-50j-5. Computation of time

Computation of any period of time referred to in these rules begins with the first day following that on which the act which initiates such period of time occurs. The

last day of the period so computed is to be included unless it is a day on which the office of the Council is closed, in which event the period shall run until the end of the next following business day. When such period of time, with intervening Saturdays, Sundays and legal holidays counted, is five days or less, said Saturdays, Sundays and legal holidays shall be excluded from the computation; otherwise such days shall be included in the computation. The Council shall follow the state holiday calendar for such computations of time.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-6. Extensions of time

In the discretion of the council, for good cause shown, any time limit prescribed or allowed by these rules may be extended insofar as such extension is not precluded by statute. All requests for extensions of time shall be made before the expiration of the period originally prescribed or as previously extended. All parties shall be notified of the council's action upon such motion.

(Effective August 16, 1979)

Sec. 16-50j-7. Consolidation

Proceedings involving related questions of law or fact may be consolidated at the direction of the council.

(Effective July 3, 1972)

Part 2

Filing Requirements

Sec. 16-50j-8. Office

The principal office of the Council is located at 10 Franklin Square, New Britain, Connecticut 06051. The office of the Council is open from 8:30 a.m. to 4:30 p.m. each weekday except Saturdays, Sundays, and legal holidays.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-9. Date of filing

All orders, decisions, findings of fact, correspondence, motions, petitions, applications, and any other documents governed by these rules shall be deemed to have been filed or received on the date on which they are issued or received by the council at its principal office.

(Effective August 16, 1979)

Sec. 16-50j-10. Identification of communications

Communications should embrace only one matter, and should contain the name and address of the communicator and the appropriate proceeding reference, if any there be, pertaining to the subject of the communication. When the subject matter pertains to a pending proceeding, the title of the proceeding and the docket or petition number should be given.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-11. Signatures

Every application, notice, motion, petition, complaint, brief, and memorandum shall be signed by the filing person or by one or more attorneys in their individual names on behalf of the filing person.

(Effective August 16, 1979)

Sec. 16-50j-12. Filing requirements**(a) Copies.**

Except as may be otherwise required by these rules or by any other rules or regulations of the Council or ordered or expressly requested by the Council, at the time motions, petitions, applications, documents, or other papers are filed with the Council, there shall be furnished to the Council an original of such papers. In addition to the original, there shall also be filed 20 copies for the use of the Council and its staff, unless a greater or lesser number of such copies is expressly requested by the Council. An electronic version of the document may also be filed by e-mail if the parties and intervenors are reasonably able to do so. Electronic filing at siting.council@ct.gov is strongly encouraged.

(b) Forms.

Except for such forms as may from time to time be provided by the Council and used where appropriate, motions, petitions, applications, documents, or other papers filed for the purpose of any proceeding before the Council shall be printed or typewritten on paper cut or folded to letter size, 8 to 8¹/₂ inches wide. Width of margins shall be not less than one inch. The printed materials may be submitted double-sided and 1.5-line spaced. Maps, charts and other pictorial exhibits shall be submitted on only one side of the paper. All copies shall be clear and permanently legible. All such filings shall be sequentially paginated.

(c) Filing.

All motions, petitions, applications, documents, or other papers relating to matters requiring action by the Council shall be filed at the office of the Council, 10 Franklin Square, New Britain, Connecticut 06051.

(d) State Agency Notification.

Pursuant to Section 8 of Public Act 07-242, each application shall be accompanied by proof of service of a copy of the application on the Department of Emergency Management and Homeland Security, or its successor agency, and any other state or municipal body as the Council may require, in addition to proof of service of a copy of the application on the enumerated departments under Section 16-50j(b)(6) of the Connecticut General Statutes. The Council shall consult with and solicit comments from the Department of Emergency Management and Homeland Security, or its successor agency, and any other state agency as the Council may require, in the same manner as the Council consults with and solicits comments from the enumerated departments under Section 16-50j(h) of the Connecticut General Statutes. The Council shall request state agency comments at the time a hearing notice is published and at the conclusion of a public hearing.

(e) Service List.

The Council shall prepare and make available a service list for each proceeding. Persons on the service list may elect to receive documents by e-mail or by U.S. Mail. Each service list shall:

- (1) contain the name of each party, intervenor and participant in the proceeding and the date upon which status was granted;
- (2) contain the names and addresses of the representatives of each party, intervenor and participant in the proceeding, if applicable;
- (3) indicate whether each party, intervenor and participant has elected to be served by e-mail; and
- (4) provide the e-mail address of every person in the proceeding who has elected to be served by e-mail.

(f) Service requirements.

(1) Every person shall serve a copy of a filed document to every person on the service list of the proceeding in which the document is to be filed. This subsection shall not apply to the filing of proprietary or critical energy infrastructure information for which a protective order may be sought.

(2) Each document presented for filing shall contain the following certification: "I hereby certify that a copy of the foregoing document(s) was/were (method of service) to the following service list on (date)." Signature and printed name.

(Effective March 7, 1989; amended September 7, 2012)

ARTICLE 2**CONTESTED CASES****Part 1****Parties, Limited Appearances, and Intervenors****Sec. 16-50j-13. Designation of parties**

In issuing the notice of hearing, the Council shall name as parties those persons enumerated in and qualifying under Section 16-50n(a), subdivisions (1) to (3), inclusive, of the Connecticut General Statutes. In the event of a hazardous waste facility proceeding, the Council shall name as parties those persons enumerated in and qualifying under Section 22a-120(a) of the Connecticut General Statutes. Any person named as a party may decline or withdraw such status upon notifying the Council in writing of their intent not to participate as a party.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-14. Application to be designated a party**(a) Filing of petition.**

Any person who proposes to be named or admitted as a party to any proceeding pursuant to Section 4-177a of the Connecticut General Statutes may file a written petition to be so designated at least five days before the hearing. The five day filing requirement may be waived upon a showing of good cause.

(b) Contents of petition.

The petition shall state the name and address of the petitioner. It shall state facts that demonstrate that the petitioner's legal rights, duties or privileges shall be specifically affected by the Council's decision in the proceeding pursuant to Section 4-177a of the Connecticut General Statutes. It shall state the contention of the petitioner concerning the issue of the proceeding, the relief sought by the petitioner, and the statutory or other authority therefor, and the nature of the evidence, if any, that the petitioner intends to present in the event that the petition is granted.

(c) Designation as party.

The Council shall consider all such petitions and shall name or admit as a party any person who is required by law to be a party and any other person whose legal rights, duties, or privileges shall be specifically affected by the Council's decision in the proceeding. Any person named or admitted as a party may decline or withdraw such status at any time upon notifying the Council in writing of his or her intent not to participate as a party.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-15. Application to be designated an intervenor**(a) Filing of petition.**

Any person who proposes to be named or admitted as an intervenor in any proceeding pursuant to Section 4-177a of the Connecticut General Statutes may file a written petition to be so designated at least five days before the date of the hearing. The five day filing requirement may be waived upon a showing of good cause.

(b) Contents of petition.

The petition shall state the name and address of the petitioner. It shall state facts that demonstrate the petitioner's participation shall furnish assistance to the Council in resolving the issues in the proceeding, is in the interests of justice and will not impair the orderly conduct of the proceedings pursuant to Section 4-177a of the Connecticut General Statutes. The petition shall provide a summary of the petitioner's contentions concerning the issues in the proceeding; the relief sought by the petitioner in the proceeding and the legal authority therefor; and the nature of the evidence, if any, that the petitioner intends to present in the event that the petition is granted.

(d) Designation as intervenor.

The Council shall determine the proposed intervenor's participation in the proceeding, taking into account whether such participation will furnish assistance to the Council in resolving the issues of the case, is in the interests of justice, and will not impair the orderly conduct of the proceedings. Any person named or admitted as an intervenor may decline or withdraw such status at any time upon notifying the Council in writing of his or her intent not to participate as an intervenor.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-15a. Participation by intervenor

The Council may limit the intervenor's participation pursuant to Section 4-177a of the Connecticut General Statutes, to designated issues in which the intervenor has a particular interest; to defined categories of records, physical evidence, papers and documents; to introduce evidence; and to cross examine on designated issues. The presiding officer may further limit the participation of an intervenor in the proceedings so as to promote the orderly conduct of the proceedings.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-15b. Limited appearance**(a) Status of Limited Appearance.**

Pursuant to Section 4-177 and Section 16-50n of the Connecticut General Statutes, prior to, during or not later than 30 days after the close of a hearing, any person may make a limited appearance. All oral and written limited appearance statements shall become part of the record. No person making a limited appearance shall be a party or intervenor, or shall have the right to cross-examine witnesses, parties or intervenors. No party or intervenor shall have a right to cross-examine a person making a limited appearance. The Council may require a limited appearance statement to be given under oath.

(b) Form of Limited Appearance.

A limited appearance may be made in the following forms:

(1) a written statement submitted to the Council prior to, during or after the close of a hearing; or

(2) an oral statement made during the public comment session of a hearing held after 6:30 PM pursuant to Section 16-50m of the Connecticut General Statutes.

(Effective May 28, 1985; amended September 7, 2012)

Sec. 16-50j-16. Procedure concerning added parties and intervenors**(a) During proceeding.**

In addition to the designation of parties and intervenors in the initial notice and in response to petition, the Council may add parties and intervenors at any time during the pendency of any proceeding.

(b) Notice of designation.

In the event that the Council shall name or admit any party or intervenor after service of the initial notice of hearing in a proceeding, the Council shall give written notice thereof to all parties or intervenors theretofore named or admitted. The form of the notice shall be a copy of the order of the Council naming or admitting such added party or intervenor and a copy of any petition filed by such added party or intervenor requesting designation as a party or intervenor. Service of such notice shall be in the manner provided in these rules.

(c) Participation by added parties and intervenors.

Any person granted party or intervenor status is responsible for obtaining and reviewing all materials for the proceeding, including, but not limited to, any notices, orders, filings, or other documents filed or issued in the proceeding prior to the Council's designation of the person as a party or intervenor.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-16a. Grouping of parties and intervenors

Pursuant to Section 16-50n of the Connecticut General Statutes, the Council may, in its discretion, provide for the grouping of parties and intervenors with the same interests. Any party or intervenor who has been included in a group may elect not to be a member of the group by submission of written notice to the Council.

(Effective September 7, 2012)

Sec. 16-50j-17. Status of party and of intervenor

(a) Party as party in interest. By its decision in a proceeding, the council shall dispose of the legal rights, duties, and privileges of each party named or admitted to the proceeding. Each such party is deemed to be a party in interest who may be aggrieved by any final decision, order, or ruling of the council.

(b) Status of intervenor. No grant of leave to participate as an intervenor shall be deemed to be an expression by the council that the person permitted to intervene is a party in interest who may be aggrieved by any final decision, order, or ruling of the council unless such grant of leave explicitly so states.

(Effective March 7, 1989)

Part 2**Hearing, General Provisions****Sec. 16-50j-18. Grant of hearing**

A hearing shall be held, where required by law, on all applications submitted pursuant to Sections 16-50l to 16-50q, inclusive, of the Connecticut General Statutes, upon appeal as provided for in Section 16-50x(d) of the Connecticut General Statutes and on any petition for a declaratory ruling that the Council orders to be set for specified proceedings pursuant to Section 4-176 of the Connecticut General Statutes. In the event of a hazardous waste facility proceeding, a hearing shall be held on all applications submitted pursuant to Sections 22a-117 to 22a-122, inclusive, of the Connecticut General Statutes.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-19. Calendar of hearings

A docket of all proceedings of the council shall be maintained. In addition a hearing calendar of all proceedings that are to receive a hearing shall be maintained. Proceedings shall be placed on the hearing calendar in the order in which the proceedings are listed on the docket of the council, unless otherwise directed by the council.

(Effective August 16, 1979)

Sec. 16-50j-20. Place of hearings

Hearings shall be held at times and locations specified by the Council pursuant to Sections 16-50m and 22a-119 of the Connecticut General Statutes.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-21. Notice of hearings

(a) Persons notified.

(1) Not later than one week after the fixing of the date, or not less than 30 days prior to a hearing date, whichever is later, the Council shall, mail written notice of a hearing in any pending matter to all parties and intervenors, to all persons or groups of parties otherwise required by statute to be notified, to such other persons as have filed with the Council their written request for notice of hearing in a particular matter, and to such additional persons as the Council directs. The Council shall give notice by newspaper publication and by such other means as it deems appropriate and advisable.

(2) The newspaper publication shall be published as specified in Section 16-50m(c) of the Connecticut General Statutes.

(3) The applicant or petitioner shall post a sign that is visible to the public at least 10 days prior to the public hearing not less than six feet by four feet at or in the vicinity of where the proposed facility would be located informing the public of the name of the applicant or petitioner, the type of facility, the hearing date and location, and contact information for the Council.

(4) The applicant or petitioner shall provide notice of the date on or about which the application or petition will be filed with the Council to each person appearing of record as an owner of property that abuts the primary or alternative sites on which the proposed facility would be located. Pursuant to Section 16-50l of the Connecticut General Statutes, applicants shall publish notice of the date on or about which the application will be filed with the Council in such newspapers that will serve to substantially inform the public. The applicant or petitioner shall provide a copy of such proof of notice and publication, as applicable, in the application or petition that is submitted to the Council.

(b) Contents of notice. Notice of a hearing shall include, but shall not be limited to, the following:

(1) a statement of the time, place, and nature of the hearing;

(2) a statement of the legal authority and jurisdiction under which the hearing is to be held;

(3) a reference to the particular sections of the statutes and regulations involved;

(4) a short and plain statement of fact describing the nature of the hearing and the principal facts to be asserted therein; and

(5) the date, place and time for any scheduled field reviews of the proposed site by the Council.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-22. Representation of parties

Each person making an appearance before the Council as an attorney, agent, or representative of any person, firm, corporation, or association subject to the Council's regulatory jurisdiction in connection with any contested case or petition for a declaratory ruling shall promptly notify the Council in writing in order that the same may be made a part of the record of the contested case or petition for a declaratory ruling.

(Effective August 16, 1979; amended September 7, 2012)

Sec. 16-50j-22a. Conduct of proceedings**(a) Procedural Conferences.**

The Council may schedule a procedural conference either on its own initiative or upon written request by a party or intervenor. At such conference, the Council shall consider matters including, but not limited to:

- (1) The schedule for the proceeding;
- (2) The exchange of pre-hearing interrogatories and pre-filed testimony, exhibits, witness lists and items to be administratively noticed in the proceeding;
- (3) The location(s) of the sign(s) to be erected pursuant to Section 16-50j-21(a)(3) of the Regulations of Connecticut State Agencies; and
- (4) Any other matters that may facilitate the proceeding.

(b) Motions.

Any party or intervenor may request that the Council take any action by filing a motion which clearly states the action sought and the grounds therefor. Any motions concerning jurisdictional matters shall be made in writing and shall be considered during a regular Council meeting either prior to or after a hearing, if a hearing is held, for the convenience of the public. Motions may be filed in writing not less than 10 days before a hearing or made during a hearing, if a hearing is held. A party or intervenor may file a written response not less than 7 days before a hearing or respond orally during a hearing, if a hearing is held. If a hearing is not held, written motions shall be filed and responded to in accordance with a schedule specified by Council staff. A copy of all written motions shall be served upon the service list.

(c) Discovery.

The purpose of discovery is to provide the Council, parties and intervenors access to all relevant information in an efficient and timely manner to ensure that a complete and accurate record is compiled. Parties and intervenors may serve written information requests only during the time specified by the Council. The Council may serve written information requests on any party or intervenor to the proceeding at any time. The presiding officer may subpoena witnesses and require the production of records, physical evidence, papers and documents to any hearing held in a contested case pursuant to Section 4-177b of the Connecticut General Statutes. Responses to information requests shall be separately and fully answered under the penalties of perjury by the witness who shall testify during the hearing as to the content of the response. Objections to information requests may be submitted in lieu of a response.

(d) Protective Orders.

Pursuant to Section 16-50o and Section 16-50r of the Connecticut General Statutes, any party or intervenor may file a motion for a protective order in accordance with the filing procedures of the Council for the following types of information:

- (1) Trade secrets and commercial or financial information as described under Section 1-210(b) of the Connecticut General Statutes; or

(2) Critical energy infrastructure information defined as specific engineering, vulnerability or detailed design information about proposed or existing critical infrastructure that:

(A) relates to details about the production, generation, transportation, transmission or distribution of energy;

(B) could be useful to a person in planning an attack on critical infrastructure;

(C) is exempt from mandatory disclosure under Section 1-210(b) of the Connecticut General Statutes; and

(D) does not simply give the general location of critical infrastructure.

(Effective September 7, 2012)

Sec. 16-50j-23.

Repealed, March 7, 1989.

Sec. 16-50j-24. Rules of conduct

Where applicable, the canons of professional ethics and the canons of judicial ethics adopted and approved by the judges of the superior court govern the conduct of the council, state employees serving the council, and all attorneys, agents, representatives, and any other persons who shall appear in any proceedings or in any contested case before the council in behalf on any public or private person, firm, corporation, or association.

(Effective August 16, 1979)

Part 3

Hearings, Procedure

Sec. 16-50j-25. General provisions

(a) Purpose of hearing.

The purpose of the hearing in a contested case or a petition for a declaratory ruling shall be to provide all parties an opportunity to present evidence and cross-examine all issues to be considered by the Council and to provide all intervenors an opportunity to present evidence and cross-examine such issues as the Council permits.

(b) Uncontested disposition of case.

Unless precluded by law, any contested case may be resolved by stipulation, agreed settlement, consent order, or default upon order of the Council. Upon such disposition, a copy of the order of the Council shall be served on each party and intervenor.

(c) Pre-Filed Evidence and Testimony.

At the discretion of the Council, any evidence or testimony may be required to be pre-filed by a date specified by the Council. All pre-filed evidence and testimony shall be received in evidence with the same force and effect as though it were stated orally by the witnesses, provided that each such witness shall be present at the hearing at which such prepared written testimony is offered, shall adopt such written testimony under oath, and shall be made available for cross-examination as directed by the Council.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-26. Record

(a) The record in each contested case and petition for declaratory ruling shall be maintained by the Council in the custody of the Council's designee and shall include the following:

(1) any notices, petitions, applications, orders, decisions, motions, briefs, exhibits, and any other documents that have been filed with the Council or issued by the Council in written form;

(2) all written evidence of any kind received and considered by the Council;

(3) any questions and offers of proof, together with any objections and rulings thereon during the course of the hearing;

(4) the official transcript of the hearing. The Council shall not be required to include in the transcript duplications of other portions of the record; and

(5) any proposed final decision and exceptions thereto, and the final decision.

(b) A copy of the record shall be available at all reasonable times for examination by the public without cost at the principal office of the Council.

(c) A copy of the transcript of testimony at the hearing shall be filed at an appropriate public office, as determined by the Council, in each county where the facility or any part thereof is proposed to be located.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-27. Filing of added exhibits

(a) Upon order of the council before, during, or after the hearing of a case, any party or intervenor shall prepare and file added exhibits and testimony. A copy of any such additional materials shall be given to all parties and intervenors by the party or intervenor submitting the said material.

(b) Upon a determination by the council that any filing of such additional material by a party or intervenor would be burdensome due to its form or excessive volume, the council may allow for the filing of the material at the office of the council. All parties and intervenors shall be afforded the opportunity to copy and/or inspect such material.

(Effective March 7, 1989)

Sec. 16-50j-28. Rules of evidence

In accordance with Section 4-178 of the Connecticut General Statutes, the following rules of evidence shall be followed in contested cases:

(a) Rules of privilege.

The Council shall give effect to the rules of privilege recognized by law in Connecticut. Subject to these requirements and subject to the right of any party or intervenor to cross examine, any testimony may be received in written form.

(b) Relevance.

The Council may exclude evidence that is not probative or material and that tends not to prove or disprove a matter in issue.

(c) Testimony.

Pursuant to Section 16-50j-25 of the Regulations of Connecticut State Agencies, in its discretion, the Council may accept any oral or written testimony.

(d) Documentary Evidence.

Pre-filed testimony and other documentary evidence shall be produced under oath. Such evidence shall be received by the Council in written form to expedite the public hearing.

(e) Cross examination.

Cross examination may be conducted by any party or intervenor if it is required by the Council for full and true disclosure of the facts. Witnesses may be cross-examined on any pre-filed testimony and documents submitted as evidence. If the Council proposes to consider a limited appearance statement as evidence, the Council

shall give all parties and intervenors an opportunity to challenge or rebut the statement and to cross-examine the person who makes the statement.

(f) Administrative Notice.

The Council may take administrative notice of facts in accordance with Section 4-178 of the Connecticut General Statutes, including prior decisions and orders of the Council and any exhibit admitted as evidence by the Council in a prior hearing of a contested case.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-29. Order of procedure at hearings

In hearings on applications, the party that shall open and close the presentation of any part of the matter shall be the applicant. In a case where the opening portion has already been submitted in written form as provided by these rules, the hearing may open with the cross examination of persons who have given written testimony. In the event any person has given written testimony and is not available for such cross examination at the time and place directed by the council, all of such written testimony may be discarded and removed from the record at the direction of the council.

(Effective July 3, 1972)

Sec. 16-50j-30. Limited number of witnesses

To avoid unnecessary cumulative evidence, the council may limit the number of witnesses or the time for testimony upon a particular issue in the course of any hearing.

(Effective August 16, 1979)

Part 4

Hearings, Decision

Sec. 16-50j-31. Filing of proposed findings of facts and briefs

At the conclusion of the presentation of evidence in any hearing, the council shall fix a time within which any party and intervenor may file proposed findings of facts and briefs.

(Effective May 28, 1985)

Sec. 16-50j-32. Final decision

(a) **Procedure and contents.** All decisions and orders of the council concluding a contested case shall be in writing. The decision may include all findings of fact and conclusions of law relied upon by the council in arriving at the decision, the findings of fact and conclusions of law to be separately stated.

(b) Service.

Parties and intervenors shall be served in the manner herein provided with a copy of the findings of fact, opinion, and decision and order of the Council. A notice of the issuance of the opinion and decision and order shall be published once in each newspaper in which was printed the notice of public hearing.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-33.

Repealed, March 7, 1989.

Sec. 16-50j-34. Original records

The applicant shall, upon direction of the council, furnish and make available for the use of the council the original books, papers, and documents from which any

part of the application is derived. If so directed, or permitted, certified or verified copies shall be furnished in lieu of such original records. Failure to furnish original records may be ground for rejecting any component and, if appropriate, for refusing the application.

(Effective August 16, 1979)

ARTICLE 3

MISCELLANEOUS PROCEEDINGS

Part 1

Petitions Concerning Adoption of Regulations

Sec. 16-50j-35. General rule

These rules set forth the procedure to be followed by the council in the disposition of petitions concerning the promulgation, amendment, or repeal of a regulation.

(Effective July 3, 1972)

Sec. 16-50j-36. Form of petitions

Any interested person may at any time petition the council to promulgate, amend, or repeal any regulation. The petition shall set forth clearly and concisely the text of the proposed regulation, amendment, or repeal. Such petition shall also state the facts and arguments that favor the action it proposes by including such data, facts, and arguments either in the petition or in a brief annexed thereto. The petition shall be addressed to the council and sent to the principal office of the council by mail or delivered in person during normal business hours. The petition shall be signed by the petitioner and shall furnish the address of the petitioner and the name and address of petitioner's attorney, if applicable.

(Effective August 16, 1979)

Sec. 16-50j-37. Procedure after petition filed

(a) Decision on petition.

Not later than 30 days after receipt of a petition for regulation pursuant to Section 4-174 of the Connecticut General Statutes, the Council shall deny the petition in writing or initiate regulation-making proceedings in accordance with Section 4-168 of the Connecticut General Statutes.

(b) Procedure on denial. If the council denies the petition, the council shall give the petitioner notice in writing, stating the reasons for the denial based upon the data, facts, and arguments submitted with the petition by the petitioner and upon such additional data, facts, and arguments as the council shall deem appropriate.

(Effective March 7, 1989; amended September 7, 2012)

Part 2

Petitions for Declaratory Rulings

Sec. 16-50j-38. General rule

These rules set forth the procedure to be followed by the council in initiating a proceeding or disposing of a petition for declaratory rulings as to the applicability of any statutory provision or validity or applicability of any regulation, final decision, or order of the council. Such a ruling of the council disposing of a petition for a

declaratory ruling shall have the same status as any decision or order of the council in a contested case.

(Effective March 7, 1989)

Sec. 16-50j-39. Filing requirements

(a) General.

Any interested person may at any time request a declaratory ruling of the Council with respect to the applicability to such person of any statute, or the validity or applicability of any regulation, final decision, or order enforced, administered, or promulgated by the Council. Such request shall be addressed to the Council and sent to the principal office of the Council by mail or delivered in person during normal business hours. The request shall state clearly and concisely the substance and nature of the request; it shall identify the statute, regulation, final decision, or order concerning which the inquiry is made and shall identify the particular aspect to which the inquiry is directed. The request for a declaratory ruling shall be accompanied by a statement of any data, facts, and arguments that support the position of the person making the inquiry. Where applicable, Sections 16-50j-13 to 16-50j-17, inclusive, of the Regulations of Connecticut State Agencies govern requests for participation in the proceeding.

(b) Form and content.

The form to be followed in the filing of petitions may vary to the extent necessary to provide for the nature of the legal rights, duties, or privileges involved therein, and to the extent necessary to comply with statutory requirements. Nevertheless, all petitions shall include the following components:

- (1) the purpose for which the petition is being made;
- (2) the statutory authority for such petition;
- (3) the exact legal name of each person seeking the authorization or relief and the address or principal place of business of each such person. If any petitioner is a corporation, trust association, or other organized group, it shall also give the state under the laws of which it was created or organized;
- (4) the name, title, address, and telephone number of the attorney or other person to whom correspondence or communications in regard to the petition are to be addressed. Notice, orders, and other papers may be served upon the person so named, and such service shall be deemed to be service upon the petitioner;
- (5) such information as may be required under the applicable provisions of the Uniform Administrative Procedure Act, chapter 54 of the Connecticut General Statutes and the Public Utilities Environmental Standards Act, chapter 277a of the Connecticut General Statutes;
- (6) such information as any department or agency of the state exercising environmental controls may, by regulation require;
- (7) such information as the petitioner may consider relevant; and
- (8) such additional information as the Council may request.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-39a. Completeness review

(a) Submission of Petition for Declaratory Ruling to the Council.

No declaratory ruling shall be issued to any person until a complete petition containing all information deemed relevant by the Council has been filed. Relevant information shall at a minimum include that listed in Section 16-50j-39 of the Regulations of Connecticut State Agencies unless an explanation of irrelevancy is

provided for any item omitted from a petition. The Council will reserve final judgment of an item's relevancy.

(b) Notification of Completeness.

No later than 30 days after receipt of a petition for declaratory ruling, the Council shall notify the petitioner in writing as to the lack of completeness of the petition. If a petitioner fails or refuses to correct any deficiencies in the manner directed and within the time prescribed by the Council, the petition may be refused for lack of proper submission.

(Effective September 7, 2012)

Sec. 16-50j-40. Procedure after petition filed

(a) Notice to other persons.

Prior to submitting a petition for a declaratory ruling to the Council, the petitioner shall, where applicable, provide notice to each person other than the petitioner appearing of record as an owner of property which abuts the proposed primary or alternative sites of the proposed facility, each person appearing of record as an owner of the property or properties on which the primary or alternative proposed facility is to be located, and the appropriate municipal officials and government agencies. Proof of such notice shall be submitted with the petition for declaratory ruling. These notice requirements are applicable to proposed facilities that, by statute, are required to be approved by a declaratory ruling in lieu of a certificate under Section 16-50k of the Connecticut General Statutes, and to petitions for a declaratory ruling that the subject of the petition does not constitute a facility. The term "appropriate municipal officials and government agencies" means, in the case of a facility required to be approved by declaratory ruling, the same officials and agencies to be noticed in the application for a certificate under Section 16-50l of the Connecticut General Statutes. Petitioners seeking a declaratory ruling where the subject of the petition is not a facility, shall serve notice to the chief elected official of the municipality where the proposed project is located in whole or in part. Within 30 days after receipt of a petition for a declaratory ruling, the Council shall give notice of the petition to all persons to whom notice is required by any provision of law and to all persons who have requested notice of declaratory ruling petitions on the subject matter of the petition. The notice provided by the Council shall provide contact information for the Council, a timeline for public involvement and the date, place and time for any scheduled field review of the proposed project. The Council may receive and consider data, facts, arguments, and opinions from persons other than the persons requesting the ruling.

(b) Provision for hearing.

If the Council deems a hearing necessary or helpful in determining any issue concerning the request for a declaratory ruling, the Council shall schedule such hearing and give such notice thereof as shall be appropriate. The contested case provisions of Sections 16-50j-13 to 16-50j-34, inclusive, of the Regulations of Connecticut State Agencies shall govern the practice and procedure of the Council in any hearing concerning a declaratory ruling.

(c) Decision on petition.

Within 60 days after receipt of a petition for a declaratory ruling, the Council in writing shall: (1) issue a ruling declaring the validity of a regulation or the applicability of the provision of the Connecticut General Statutes, the regulation, or the final decision in question to the specified proceedings; (2) order the matter set for specified proceedings; (3) agree to issue a declaratory ruling by a specified date; (4) decide not to issue a declaratory ruling and initiate regulation-making proceedings, under

Section 4-168 of the Connecticut General Statutes, on the subject; or (5) decide not to issue a declaratory ruling, stating the reasons for its action.

(d) Decision.

A copy of all rulings issued and any actions taken under subsection (c) of this section shall be promptly delivered to the petitioner and other parties and intervenors personally or by United States mail, certified or registered, postage prepaid, return receipt requested. A declaratory ruling shall contain the names of all parties and intervenors to the proceeding, the particular facts on which it is based, and the reasons for its conclusion.

(Effective March 7, 1989; amended September 7, 2012)

Part 3

Miscellaneous Provisions

Sec. 16-50j-41. Council investigations

The Council may at any time initiate investigations and enforcement actions pursuant to Section 16-50u of the Connecticut General Statutes. Orders initiating the investigation shall indicate the nature of the matters to be investigated and shall be served upon any person being investigated. Upon direction by the Council said person shall file with the Council such data, facts, arguments and statement of position as shall be necessary to respond to the inquiry of the Council. The presiding officer may subpoena witnesses and require the production of records, physical evidence, papers and documents to any hearing held in a contested case pursuant to Section 4-177b of the Connecticut General Statutes. A motion for a protective order may be filed with the Council if the Council requests information that may qualify as trade secrets or commercial or financial information as described under Section 1-210(b) of the Connecticut General Statutes, or critical energy infrastructure information.

(Effective July 3, 1972; amended September 7, 2012)

Sec. 16-50j-42. Procedure

The rules of practice and procedure set forth in Sections 16-50j-13 to 16-50j-34, inclusive, of the Regulations of Connecticut State Agencies for a contested case proceeding shall govern any hearing held for the purpose of such an investigation.

(Effective July 3, 1972; amended September 7, 2012)

Sec. 16-50j-43. Intervention under the Environmental Protection Act of 1971

Any person or other legal entity authorized by or qualifying under the provisions of Sections 22a-14 to 22a-20, inclusive, of the Connecticut General Statutes to intervene as a party in any proceeding before the Council shall do so in accordance with the provisions of these rules and regulations as they may be applicable.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-44. Transferability of certificates

(a) No certificate may be transferred without approval of the Council pursuant to Section 16-50k of the Connecticut General Statutes.

(b) Any person desiring to transfer a certificate shall jointly submit with the proposed transferee an application to the Council. Such application shall, at a minimum, include the date on which such transfer was agreed upon by the parties to the transfer, an explanation of the reasons for the proposed transfer, and the same information about the transferee which is required of an applicant for a certificate.

(c) The proposed transferee shall agree, in writing, to comply with the terms, limitations, and conditions contained in the certificate.

(d) The Council shall not approve any transfer if it finds:

(1) That such transfer was contemplated at or prior to the time the certificate was issued and that such fact was not adequately disclosed during the certification proceeding; or

(2) That the transferor or transferee, or both, are not current with payments to the Council for their respective annual assessments and invoices under Section 16-50v of the Connecticut General Statutes.

(Effective September 7, 2012)

Secs. 16-50j-45—16-50j-55. Reserved

ARTICLE 4
ENERGY FACILITIES
Part 1
Rules of Practice

Sec. 16-50j-56. Finding

Pursuant to Section 16-50i (a) (1) to (4), inclusive, of the Connecticut General Statutes, the Council finds that each energy site and its associated equipment except as specified in Section 16-50j-57 of the Regulations of Connecticut State Agencies may have a substantial adverse environmental effect and therefore is a facility, and any modification, as defined in section 16-50j-2a(m) of the Regulations of Connecticut State Agencies, to an existing energy site, except as specified in Section 16-50j-57 of the Regulations of Connecticut State Agencies may have a substantial adverse environmental effect.

(Effective September 7, 2012)

Sec. 16-50j-57. Exemptions

(a) **Exemptions.** A facility or any modification to a facility that the Council, or its designee, has determined satisfies the criteria of this section shall be deemed not to have a substantial adverse environmental effect and shall not require a certificate pursuant to Section 16-50k of the Connecticut General Statutes. Facilities or modifications to facilities, including, but not limited to, installation or change-out of circuit breakers, disconnects, transformers, buses and appurtenant equipment, upon Council acknowledgment or acknowledgment of its designee, may qualify for such exemption.

(1) An energy component and associated equipment installed adjacent to a damaged or inoperable existing energy component and associated equipment in order to maintain continuity of service shall not constitute a facility provided that:

(A) such energy component and associated equipment shall be removed at the earliest practicable time but in no event later than one year after installation, unless otherwise approved by the Council or unless exempt under subsection (b) of this section, in which event the existing damaged or inoperable energy component and associated equipment shall be removed no later than one year after installation of the new energy component and associated equipment;

(B) the owner or operator of such energy component and associated equipment shall give the property owner of record, if the property owner of record is different from the owner or operator of such component and associated equipment, and the chief elected official of the municipality in which the energy component and associated equipment is located, written notice of the installation or proposed installation

of such energy component and associated equipment. The owner or operator of such energy component and associated equipment shall provide the Council with written proof of service of the written notice to the property owner of record, if the property owner of record is different from the owner or operator of such component and associated equipment, and the municipality in which the energy component and associated equipment is located. Notice to all parties shall include the following:

(i) the location of such energy component and associated equipment,

(ii) the reason for the installation, and

(iii) the estimated time such energy component and associated equipment will remain in place;

(C) the notice shall be given at the earliest practicable time but not later than 48 hours after the installation of such energy component and associated equipment; and

(D) the owner or operator of such energy component and associated equipment shall restore the site to its original condition as nearly as practical, subject to such other conditions as ordered by the Council, or its designee.

(b) None of the following shall constitute a modification to an existing energy facility that may have a substantial adverse environmental effect:

(1) Routine general maintenance and one-for-one replacement of facility components that are necessary for reliable operation;

(2) Changes on an existing site that do not:

(A) extend the boundaries of the site beyond the existing fenced compound;

(b) increase the height of existing associated equipment;

(C) increase noise levels at the site boundary by 6 decibels or more, or to levels that exceed state and local criteria;

(D) manage electric and magnetic field levels at the site boundary in a manner that is inconsistent with the Council's Best Management Practices for Electric and Magnetic Fields at the site boundary;

(E) cause a significant adverse change or alteration in the physical or environmental characteristics of the site; or

(F) impair the structural integrity of the facility, as determined in a certification provided by a professional engineer licensed in Connecticut, where applicable.

(c) Placement of energy components and associated equipment, owned or operated by the state or a public service company, as defined in Section 16-1 of the Connecticut General Statutes, on any existing non-facility energy site, shall not constitute a substantial adverse environmental effect when the changes on the existing non-facility energy site:

(1) Have received an acknowledgment by the Council that such placement of energy components and associated equipment would not cause a significant change or alteration to the physical and environmental characteristics of the site;

(2) Do not extend the boundaries of the site by any dimension;

(3) Do not increase the height of existing associated equipment;

(4) Do not increase noise levels at the site boundary by 6 decibels or more, or to levels that exceed state and local criteria;

(5) manage electric and magnetic field levels at the site boundary in a manner that is consistent with the Council's Best Management Practices for Electric and Magnetic Fields at the site boundary; and

(6) Have received all municipal zoning approvals and building permits, where applicable.

(d) The temporary use of energy components and associated equipment shall not constitute a facility provided that:

(1) The temporary use is necessary to provide emergency or essential energy service to areas of local disaster or events of statewide significance.

(2) Any provider of temporary energy service for an event of statewide significance shall provide the Council for its approval 30-day advance written notice of the development of such temporary service. The provider shall also provide the property owner of record, if the property owner of record is different from the provider, and the chief elected official of the affected municipality in which the temporary energy components and associated equipment are to be located 30-day advance written notice prior to the installation. Such notice shall state:

- (A) the location of the temporary energy components and associated equipment;
- (B) a letter from the property owner of record, if the property owner of record is different from the provider, authorizing use of the property for the temporary service;
- (C) the height of the temporary energy components and associated equipment;
- (D) the electric and magnetic field levels at the site boundary of the temporary energy components and associated equipment will be managed in a manner that is consistent with the Council's Best Management Practices for Electric and Magnetic Fields;
- (E) the noise levels of the temporary energy components and associated equipment measured at the site boundary;
- (f) the estimated time the temporary energy components and associated equipment shall be on site and the hours of operation for the temporary energy components and associated equipment; and
- (G) the specific reasons for the installation, including, but not limited to, the nature of the event.

(3) Any provider of temporary energy service at an area of a local disaster shall provide to the chief elected official of the affected municipality and the Council written notice not later than 48 hours of the deployment stating:

- (A) The location of the temporary energy components and associated equipment;
- (B) a letter from the property owner of record, if the property owner of record is different from the provider, authorizing use of the property for the temporary service;
- (C) the height of the temporary energy components and associated equipment;
- (D) the electric and magnetic field levels at the site boundary of the temporary energy components and associated equipment will be managed in a manner that is consistent with the Council's Best Management Practices for Electric and Magnetic Fields;
- (E) the noise levels of the temporary energy components and associated equipment measured at the site boundary;
- (F) the estimated time the temporary energy components and associated equipment shall be on site, the hours of operation of the temporary energy components and associated equipment, and conditions that would render the use of the temporary energy components and associated equipment no longer necessary; and
- (G) the nature of the emergency.

(4) In no event shall temporary use of energy components and associated equipment exceed 30 days unless the property owner of record, if the property owner of record is different from the provider, and the Council grant approval for an extension.

(Effective September 7, 2012)

Sec. 16-50j-58. Notice of intent to install an exempt energy component and associated equipment

Except as provided under Sections 16-50j-57(a) and 16-50j-57(d) of the Regulations of Connecticut State Agencies, the owner or operator of any energy component

and associated equipment claiming such component and associated equipment are exempt pursuant to Section 16-50j-57 of the Regulations of Connecticut State Agencies shall give the Council, the property owner of record, if the property owner of record is different from the owner or operator of the energy component and associated equipment, and the chief elected official of the municipality in which the energy component and associated equipment is to be located, notice in writing prior to construction of the owner or operator's intent to install such energy component and associated equipment, detailing its reasons for claiming exemption under Section 16-50j-57 of the Regulations of Connecticut State Agencies.

(Effective September 7, 2012)

Sec. 16-50j-59. Information required

In addition to conforming to Section 16-50l of the Connecticut General Statutes and Section 16-50l-2 of the Regulations of Connecticut State Agencies, an application for a certificate of environmental compatibility and public need for the construction of a new energy facility, or a modification of an existing energy facility, as defined in Section 16-50i(a)(1) to (4), inclusive, of the Connecticut General Statutes shall include, but not be limited to:

(1) A description of the proposed facility and associated equipment, or modification of an existing facility and associated equipment, including, but not limited to, heights of facility components, special design features, and access roads;

(2) A statement of the need for the proposed facility and associated equipment, or modification of an existing facility and associated equipment with as much specific information as is practicable to demonstrate the need;

(3) A statement of the benefits expected from the proposed facility and associated equipment, or modification of an existing facility and associated equipment with as much specific information as is practicable;

(4) (A) The most recent U.S.G.S. topographic quadrangle map (scale 1 inch = 2000 feet) marked to show the approximate site of the facility and associated equipment, or modification of an existing facility and associated equipment and any significant changes within a one mile radius of the site; and

(B) a map (scale 1 inch = 200 feet or less) of the lot or tract on which the facility and associated equipment, or modification of an existing facility and associated equipment is proposed to be located showing the acreage and dimensions of such site, the name and location of adjoining public roads or the nearest public road, and the names of abutting owners and the portions of their lands abutting the site;

(5)(A) Plan and elevation drawings showing the proposed facility and associated equipment, or modification of an existing facility and associated equipment, the components and all structures on the site; and

(B) where relevant, a terrain profile showing the proposed facility and associated equipment, or modification of an existing facility and associated equipment;

(6) A description of the site, including the zoning classification of the site and surrounding areas;

(7) A description of the land uses of the site and surrounding areas;

(8) A description of the scenic, natural, historic, and recreational characteristics of the proposed site and surrounding area;

(9) A statement in narrative form of the environmental effects of the proposed facility and associated equipment, or modification of an existing facility and associated equipment;

(10) A statement containing justification for the site selected including a description of siting criteria and the narrowing process by which other possible sites were considered and eliminated;

(11) A statement of the estimated cost for site acquisition and construction of the facility and associated equipment, or modification of an existing facility and associated equipment;

(12) A schedule showing the proposed program of site acquisition, construction, completion, and operation;

(13) The names and mail addresses of the owner of the site and all abutting owners;

(14) A listing of any federal, state, regional, district, and municipal agencies with which reviews were conducted concerning the facility or modification of an existing facility, including a copy of any state and municipal agency position or decision with respect to the facility or modification of an existing facility;

(15) Where relevant, a list of all energy facilities and associated equipment within a 5-mile radius of the proposed facility or modification of an existing facility which are owned or operated by a public service company or the state;

(16) A description of technological alternatives and a statement containing justification for the proposed facility;

(17) A description of alternate sites, if applicable, for the proposed facility and associated equipment, or modification of an existing facility and associated equipment with the following information:

(A) a U.S.G.S. topographic quadrangle map (scale 1 inch = 2000 feet) marked to show the location of alternate sites;

(B) a map (scale 1 inch = 200 feet or less) of the lots or tracts of the alternate sites for the proposed facility and associated equipment, or modification of an existing facility and associated equipment showing the acreage and dimensions of such site, the name and location of adjoining public roads or the nearest public road, and the names of abutting owners and the portions of their land abutting the alternate site; and

(C) such additional information as would be necessary or useful to compare the costs and environmental impacts of the alternate sites with those of the proposed site;

(18) A statement describing hazards to human health, if any, with such supporting data or references to authoritative sources of information as will be helpful to the understanding of all aspects of the issue, including electric and magnetic field levels at the property boundaries of the proposed site and compliance with the Council's Best Management Practices for Electric and Magnetic Fields; and

(19) Additional information as may be requested by the Council.

(Effective September 7, 2012)

Part 2 Development and Management Plan

Sec. 16-50j-60. Requirements for a Development and Management Plan (D&M Plan)

(a) **Purpose.**

The Council may require the preparation of full or partial Development and Management Plans (D&M Plans) for proposed energy facilities, modifications to existing facilities, or where the preparation of such a plan would help significantly in balancing the need for adequate and reliable utility services at the lowest reasonable cost to consumers with the need to protect the environment and ecology of the state.

(b) **When required.**

A partial or full D&M plan shall be prepared in accordance with this regulation and shall include the information described in Sections 16-50j-61 to 16-50j-62, inclusive, of the Regulations of Connecticut State Agencies, for any proposed energy facility for which the Council issues a certificate of environmental compatibility and public need, except where the Council provides otherwise at the time it issues the certificate. Relevant information in the Council's record may be referenced.

(c) Procedure for preparation.

The D&M plan shall be prepared by the certificate holder or the owner or operator of the proposed facility or modification to an existing facility. The preparer may consult with the staff of the Council to prepare the D&M plan.

(d) Timing of plan.

The D&M plan shall be submitted to the Council in one or more sections, and the Council shall approve, modify, or disapprove each section of the plan not later than 60 days after receipt of it. If the Council does not act to approve, modify or disapprove the plan or a section thereof within 60 days after receipt of it, the plan shall be deemed approved. Except as otherwise authorized by the Council, no clearing or construction shall begin prior to approval of applicable sections of the D&M plan by the Council.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-61. Elements of a D&M plan

(a) Key map.

The D&M plan shall include a key map for the site, including the entire electric transmission line or fuel transmission line, as applicable, that is a reproduction at scale of 1 inch = 2,000 feet of the most recent USGS topographic maps for its location and route.

(b) Plan drawings.

The D&M plan shall consist of maps at a scale of 1 inch = 100 feet or larger (called "plan drawings") and supporting documents, which shall contain the following information:

(1) The edges of the proposed site and of any existing site contiguous to or crossing it, the portions of those sites owned by the company in fee and the identity of the property owners of record of the portions of those sites not owned by the company in fee;

(2) Public roads and public lands crossing or adjoining the site;

(3) The approximate location along the site of each 50-foot contour line shown on the key map;

(4) The probable location, type, and height of the proposed facility, energy components and associated equipment supporting the facility operation, including, but not limited to, each new transmission structure, position of guys, generalized description of foundations, trench grading plans, depth and width of trenches, trench back-filling plans, and the location of any utility or other structures to remain on the site or to be removed;

(5) The probable points of access to the site, and the route and likely nature of the access ways, including alternatives or options to the probable points of access and access ways;

(6) The edges of existing and proposed clearing areas, the type of proposed clearing along each part of the site, and the location and species identification of vegetation that would remain for aesthetic and wildlife value;

(7) Sensitive areas and conditions within and adjoining the site, including, but not limited to:

(A) Wetland and watercourse areas regulated under Chapter 440 of the Connecticut General Statutes, and any locations where construction may create drainage problems;

(B) Areas of high erosion potential;

(C) Any known critical habitats or areas identified as having rare, endangered, threatened or special concern plant or animal species listed by federal and state governmental agencies;

(D) The location of any known underground utilities or resources including, but not limited to, electric lines, fuel lines, drainage systems and natural or artificial, public or private water resources, to be crossed;

(E) Residences or businesses within or adjoining the site that may be disrupted during the construction process; and

(F) Significant environmental, historic and ecological features, including, but not limited to, significantly large or old trees, buildings, monuments, stone walls or features of local interest.

(c) **Supplemental information.**

(1) Plans, if any, to salvage marketable timber, restore habitat and to maintain snag trees within or adjoining the site;

(2) All construction and rehabilitation procedures with reasonable mitigation measures that shall be taken to protect the areas and conditions identified in section 16-50j-61(b)(7) of the Regulations of Connecticut State Agencies, including, but not limited to:

(A) Construction techniques at wetland and watercourse crossings;

(B) Sedimentation and erosion control and rehabilitation procedures, consistent with the Connecticut Guidelines for Soil Erosion and Sediment Control, as updated and amended, for areas of high erosion potential;

(C) Precautions and all reasonable mitigation measures to be taken in areas within or adjoining the site to minimize any adverse impacts of such actions or modifications on endangered, threatened or special concern plant or animal species listed by federal and state governmental agencies and critical habitats that are in compliance with federal and state recommended standards and guidelines, as amended;

(D) Plans for modification and rehabilitation of surface, drainage, and other hydrologic features;

(E) Plans for watercourse bank restoration in accordance with the provisions of Chapter 440 of the Connecticut General Statutes; and

(F) Plans for the protection of historical and archaeological resources with review and comment from a state historic preservation officer of the Department of Economic and Community Development, or its successor agency.

(3) Plans for the method and type of vegetative clearing and maintenance to be used within or adjacent to the site;

(4) The location of public recreation areas or activities known to exist or being proposed in or adjacent to the site, together with copies of any agreements between the company and public agencies authorizing public recreation use of the site to the extent of the company's property rights thereto;

(5) Plans for the ultimate disposal of excess excavated material, stump removal, and periodic maintenance of the site;

(6) Locations of areas where blasting is anticipated;

(7) Rehabilitation plans, including, but not limited to, reseeding and topsoil restoration;

(8) Contact information for the personnel of the contractor assigned to the project; and

(9) Such site-specific information as the Council may require.

(d) **Notice.**

A copy, or notice of the filing, of the D&M plan, or a copy, or notice of the filing of any changes to the D&M plan, or any section thereof, shall be provided to the service list and the property owner of record, if applicable, at the same time the plan, or any section thereof, or at the same time any changes to the D&M plan, or any section thereof, is submitted to the Council.

(e) **Changes to plan.**

The Council may order changes to a D&M plan, including, but not limited to, vegetative screening, paint color, or fence design at any time during or after preparation of the plan.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-62. Reporting requirements

(a) **Site Testing and Staging areas.**

The certificate holder, or facility owner or operator, shall provide the Council with written notice of the location and size of all areas to be accessed or used for site testing or staging areas. If such an area is to be used prior to approval of the D&M plan, the Council may approve such use on terms as it deems appropriate.

(b) **Notice**

(1) The certificate holder, or facility owner or operator, shall provide the Council, in writing, with a minimum of two weeks advance notice of the beginning of:

(A) clearing and access work in each successive portion of the site and

(B) facility construction in that same portion.

(2) The certificate holder, or facility owner or operator, shall provide the Council with advance written notice whenever a significant change of the approved D&M plan is necessary. If advance written notice is impractical, verbal notice shall be provided to the Council immediately and shall be followed by written notice not later than 48 hours after the verbal notice. Significant changes to the approved D&M plan shall include, but are not limited to, the following:

(A) the location of a wetland or watercourse crossing;

(B) the location of an access way or a structure in a regulated wetland or watercourse area;

(C) the construction or placement of any temporary structures or equipment;

(D) a change in structure type or location including, but not limited to, towers, guy wires, associated equipment or other facility structures; and

(E) utilization of additional mitigation measures, or elimination of mitigation measures.

The Council, or its designee, shall promptly review the changes and shall approve, modify, or disapprove the changes in accordance with subsection (d) of section 16-50j-60 of the Regulations of Connecticut State Agencies.

(3) The certificate holder, or facility owner or operator, shall provide the Council with a monthly construction progress report, or a construction progress report at time intervals determined by the Council or its designee, indicating changes and deviations from the approved D&M plan. The Council may approve changes and deviations, request corrections or require mitigation measures.

(4) The certificate holder, or facility owner or operator, shall provide the Council with written notice of completion of construction and site rehabilitation.

(c) Final report.

The certificate holder, or facility owner or operator, shall provide the Council with a final report for the facility not later than 180 days after completion of all site construction and site rehabilitation. This final report shall identify:

(1) all agreements with abutters or other property owners regarding special maintenance precautions;

(2) significant changes of the D&M plan that were required because of the property rights of underlying and adjoining owners or for other reasons;

(3) the location of construction materials which have been left in place including, but not limited to, culverts, erosion control structures along watercourses and steep slopes, and corduroy roads in regulated wetlands;

(4) the location of areas where special planting and reseeding have been done; and

(5) the actual construction cost of the facility, including, but not limited to, the following costs:

(A) clearing and access;

(B) construction of the facility and associated equipment;

(C) rehabilitation; and

(D) property acquisition for the site or access to the site.

(d) Protective Order.

The certificate holder, or facility owner or operator, may file a motion for a protective order pertaining to commercial or financial information related to the site or access to the site.

(Effective March 7, 1989; amended September 7, 2012)

Secs. 16-50j-63—16-50j-69. Reserved**ARTICLE 5****Community Antenna Television and Telecommunications Towers****Part 1****Rules of Practice****Sec. 16-50j-70.**

Repealed, March 7, 1989.

Sec. 16-50j-71. Finding

Pursuant to Section 16-50i (a) (5) and (6) of the Connecticut General Statutes, the Council finds that each community antenna television tower or telecommunications tower and its associated equipment except as specified in Sections 16-50j-72 and 16-50j-88 of the Regulations of Connecticut State Agencies may have a substantial adverse environmental effect and therefore is a facility; and any modification, as defined in Section 16-50j-2a of the Regulations of Connecticut State Agencies, to an existing tower site, except as specified in Sections 16-50j-72 and 16-50j-88 of the Regulations of Connecticut State Agencies, may have a substantial adverse environmental effect.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-72. Exceptions**(1) Exemptions.**

A facility or any modification to a facility that the Council, or its designee, has determined satisfies the criteria of this section shall be deemed not to have a substantial adverse environmental effect and shall not require a certificate pursuant to Section 16-50k of the Connecticut General Statutes. Facilities or modifications

to facilities, including, but not limited to, change-outs and installations of antennas on existing telecommunications towers, existing radio towers, functioning smokestacks, functioning water tanks and on or in existing buildings, upon Council acknowledgment or acknowledgment of its designee, may qualify for such exemption.

(2) A community antenna television tower or telecommunications tower and associated equipment installed adjacent to a damaged or inoperable existing tower and associated equipment in order to maintain continuity of community antenna television service or telecommunications shall not constitute a facility provided that:

(A) such tower and associated equipment shall be removed at the earliest practicable time but in no event later than one year after installation, unless otherwise approved by the Council or unless exempt under subsection (b) of this section in which event the existing damaged or inoperable tower and associated equipment shall be removed no later than one year after installation of the new tower and associated equipment;

(B) the owner or operator of such tower and associated equipment shall give the Council, the property owner of record, if the property owner of record is different from the owner or operator of such tower and associated equipment, and the chief elected official of the municipality in which the tower and associated equipment is located, written notice of the installation or proposed installation of such tower and associated equipment. The owner or operator of such tower and associated equipment shall provide the Council with proof of service of the written notice to the property owner of record, if the property owner of record is different from the owner or operator of such tower and associated equipment, and the municipality in which the tower or associated equipment is located. Notice to all parties shall include the following:

(i) the location of such tower and associated equipment;

(ii) the reason for its installation; and

(iii) the estimated time such tower and associated equipment shall remain in place.

(C) the notice shall be given at the earliest practicable time but not later than 48 hours after the installation of such tower and associated equipment; and

(D) the owner or operator of such tower or associated equipment shall restore the site to its original condition as nearly as practical, subject to such other conditions as ordered by the Council, or its designee.

(b) None of the following shall constitute a modification to an existing community antenna television or telecommunications tower that may have a substantial adverse environmental effect:

(1) Routine general maintenance and one-for-one replacement of facility components that is necessary for reliable operation;

(2) Changes on an existing site that do not:

(A) increase the tower height;

(B) extend the boundaries of the site by any dimension;

(C) increase noise levels at the site boundary by 6 decibels or more, or to levels that exceed state and local criteria;

(D) add radio frequency sending or receiving capability which increases the total radio frequency electromagnetic radiation power density measured at the site boundary to or above the standards adopted by the Federal Communications Commission pursuant to Section 704 of the Telecommunications Act of 1996, as amended, and the State Department of Energy and Environmental Protection, pursuant to Section 22a-162 of the Connecticut General Statutes;

(E) cause a significant adverse change or alteration in the physical or environmental characteristics of the site; and

(F) impair the structural integrity of the facility, as determined in a certification provided by a professional engineer licensed in Connecticut, or

(3) Replacement of an existing CATV tower or telecommunications tower and associated equipment with a tower that is no taller than the tower to be replaced and that does not support public service company or state antennas, or antennas to be used for public cellular radio communications emitting total radio frequency electromagnetic radiation power density measured at the site boundary to or above the standard adopted by the Federal Communications Commission pursuant to Section 704 of the Telecommunications Act of 1996, as amended, and the State Department of Energy and Environmental Protection pursuant to Section 22a-162 of the Connecticut General Statutes.

(c) Placement of community antenna television towers and head-end structures, telecommunications towers, and associated telecommunications equipment, owned or operated by the state or a public service company, as defined in Section 16-1 of the Connecticut General Statutes, or used in a cellular system, as defined in the code of Federal Regulations Title 47, Part 22, as amended, on any existing non-facility tower, shall not constitute a substantial adverse environmental effect when the changes on the existing non-facility tower:

(1) Have received an acknowledgment from the Council that such a facility would not cause a significant change or alteration in the physical and environmental characteristics of the site;

(2) Do not extend the boundaries of the site by any dimension;

(3) Do not increase noise levels at the site boundary by 6 decibels or more, or to levels that exceed state and local criteria;

(4) Do not increase the total radio frequency electromagnetic radiation power density measured at the site boundary to or above the standard adopted by the Federal Communications Commission pursuant to Section 704 of the Telecommunications Act of 1996, as amended, and the State Department of Energy and Environmental Protection pursuant to Section 22a-162 of the Connecticut General Statutes; and

(5) Have received all municipal zoning approvals and building permits, where applicable.

(d) The temporary use of telecommunications equipment shall not constitute a facility provided that:

(1) The temporary use is necessary to provide emergency or essential telecommunications service to areas of local disaster or events of statewide significance.

(2) Any provider of temporary telecommunications service for an event of statewide significance shall provide to the Council for its approval 30 day advance written notice of the development of such temporary service. The provider shall also provide the property owner of record, if the property owner of record is different from the provider, and the chief elected official of the municipality in which the temporary facility is to be located, advance written notice not less than 30 days prior to the installation. Such notice shall include:

(A) The location of the temporary telecommunications equipment;

(B) A letter from the property owner of record, if the property owner of record is different from the provider, authorizing use of the property for the temporary telecommunications service;

(C) The height and power density of the temporary telecommunications equipment;

(D) The noise levels of the temporary telecommunications equipment measured at the property lines;

(E) The estimated time the temporary telecommunications equipment shall be in use, including the approximate start and end dates; and

(F) The specific reasons for the installation, including, but not limited to, the nature of the event.

(3) Any provider of temporary telecommunications service at an area of a local disaster shall provide to the Council written notice not later than 48 hours after the deployment including:

(A) The location of the temporary telecommunications equipment;

(B) A letter from the property owner of record, if the property owner of record is different from the provider, authorizing use of the property for the temporary telecommunications service;

(C) The height and power density of the temporary telecommunications equipment;

(D) The noise levels of the temporary telecommunications equipment measured at the property lines;

(E) The estimated time the temporary telecommunications equipment shall be in use, including, but not limited to, the hours of operation of the temporary telecommunications equipment and conditions that would render the use of the temporary telecommunications equipment no longer necessary; and

(F) The nature of the emergency.

(4) In no event shall temporary use of telecommunications equipment exceed 30 days unless the Council and the property owner of record, if the property owner of record is different from the provider, grant approval for an extension.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-73. Notice of intent to erect an exempt tower and associated equipment

Except as otherwise provided under sections 16-50j-72(a) and sections 16-50j-72(d), the owner or operator of any tower and associated equipment claiming such tower and associated equipment is exempt pursuant to section 16-50j-72 of the Regulations of Connecticut State Agencies shall give the Council, the property owner of record, if the property owner of record is different from the owner or operator of the tower and associated equipment, and the chief elected official of the municipality in which the facility is to be located, notice in writing prior to construction of its intent to construct such tower and associated equipment, detailing its reasons for claiming exemption under these regulations.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-74. Information required

In addition to conforming to Section 16-50l of the Connecticut General Statutes and to Section 16-50l-2 of the Regulations of Connecticut State Agencies, an application for a certificate of environmental compatibility and public need for the construction of a new community antenna television tower and head-end structure or telecommunications tower and associated equipment, or modification to an existing community antenna television tower and head-end structure or telecommunications tower and associated equipment, as defined in Sections 16-50i (a) (5) and (6) of the Connecticut General Statutes, shall include, but not be limited to, the following:

(1) A description of the proposed tower and associated equipment, or modification and associated equipment including height and special design features, access roads and power lines, if any;

(2) A statement of the need for the proposed tower and associated equipment, or modification and associated equipment with as much specific information as is practicable to demonstrate the need;

(3) A statement of the benefits expected from the proposed tower and associated equipment, or modification and associated equipment with as much specific information as is practicable;

(4) (A) The most recent U.S.G.S. topographic quadrangle map (scale 1 inch = 2000 feet) marked to show the approximate site of the tower and associated equipment, or modification and associated equipment and any significant changes within a one mile radius of the site; and

(B) a map (scale 1 inch = 200 feet or less) of the lot or tract on which the tower and associated equipment, or modification and associated equipment is proposed to be located showing the acreage and dimensions of such site, the name and location of adjoining public roads or the nearest public road, and the names of abutting owners and the portions of their lands abutting the site;

(5) (A) Plan and elevation drawings showing the proposed tower and associated equipment, or modification and associated equipment, the antennas and other components to be supported, and all structures on the site; and

(B) where relevant, a terrain profile showing the proposed tower and associated equipment, or modification and associated equipment;

(6) A description of the site, including the zoning classification of the site and surrounding areas;

(7) A description of the land uses of the site and surrounding areas;

(8) A description of the scenic, natural, historic, and recreational characteristics of the proposed site and surrounding area;

(9) A statement in narrative form of the environmental effects of the proposed tower and associated equipment, or modification and associated equipment;

(10) A statement containing justification for the site selected including a description of siting criteria and the narrowing process by which other possible sites were considered and eliminated;

(11) A statement of the estimated cost for site acquisition and construction of the tower and associated equipment, or modification and associated equipment;

(12) A schedule showing the proposed program of site acquisition, construction, completion, and operation;

(13) The names and mail addresses of the owner of the site and all abutting owners;

(14) A listing of any federal, state, regional, district, and municipal agencies with which reviews were conducted concerning the tower and associated equipment or modification and associated equipment, including a copy of any state and municipal agency position or decision with respect to the tower or modification and associated equipment;

(15) Where relevant, a list of all towers and associated equipment within a 5-mile radius of the proposed tower and associated equipment or modification and associated equipment;

(16) A description of technological alternatives and a statement containing justification for the proposed facility;

(17) A description of alternate sites for the proposed tower, if applicable, and associated equipment, or modification and associated equipment with the following information:

(A) a U.S.G.S. topographic quadrangle map (scale 1 inch = 2000 feet) marked to show the location of alternate sites;

(B) a map (scale 1 inch = 200 feet or less) of the lots or tracts of the alternate sites for the proposed tower and associated equipment, or modification and associated equipment showing the acreage and dimensions of such site, the name and location of adjoining public roads or the nearest public road, and the names of abutting owners and the portions of their land abutting the alternate site; and

(C) such additional information as would be necessary or useful to compare the costs and environmental impacts of the alternate sites with those of the proposed site;

(18) A statement describing hazards to human health, if any, with such supporting data or references to authoritative sources of information as will be helpful to the understanding of all aspects of the issue, including signal frequency and power density at the proposed site to be transmitted or received by the proposed facility; and

(19) Additional information as may be requested by the Council.

(Effective March 7, 1989; amended September 7, 2012)

Part 2 Development and Management Plan

Sec. 16-50j-75. Requirement for a Development and Management Plan (D&M plan)

(a) Purpose.

The Council may require the preparation of full or partial D&M plans for proposed community antenna television towers or head-end structures and associated equipment or telecommunications towers and associated equipment or a modification to an existing site, where the preparation of such a plan would help significantly in balancing the need for adequate and reliable utility services at the lowest reasonable cost to consumers with the need to protect the environment and ecology of the state.

(b) When required.

A partial or full D&M plan shall be prepared in accordance with this Section and shall include the information described in Sections 16-50j-76 to 16-50j-77, inclusive, of the Regulations of Connecticut State Agencies for any proposed facility for which the Council issues a certificate or for a modification to an existing site, except where the Council provides otherwise at the time it issues the certificate. Relevant information in the Council's record may be referenced.

(c) Procedure for preparation.

The D&M plan shall be prepared by the certificate holder of the tower and associated equipment, or modification to an existing facility. The preparer may consult with the staff of the Council to prepare the D&M plan.

(d) Timing of plan.

The D&M plan shall be submitted to the Council in one or more sections, and the Council shall approve, modify or disapprove each section of the plan not later than 60 days after receipt of it. If the Council does not act to approve, modify or disapprove the plan or any section thereof within 60 days after receipt of it, the plan shall be deemed approved. Except as otherwise authorized by the Council, no clearing or construction shall begin prior to approval of applicable sections of the D&M plan by the Council.

(e) Notice.

A copy, or notice of the filing, of the D&M plan, or any section thereof, or a copy, or notice of the filing of any changes to the D&M plan, or any section thereof, shall be provided to the service list and the property owner of record, if applicable,

at the same time the plan, or any section thereof, or at the same time any changes to the D&M plan, or any section thereof, is submitted to the Council.

(f) Changes to plan.

The Council may order changes to the D&M Plan including, but not limited to, vegetative screening, paint color, or fence design at any time during or after preparation of the plan.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-76. Elements of a D&M plan

(a) Key map.

The D&M Plan shall include a key map for the site that is a reproduction at a scale of 1 inch = 2,000 feet of the most recent USGS topographic maps marked to show the site locations of the tower and associated equipment.

(b) Plan drawings.

The D&M plan shall consist of a map or blueprint at a scale of 1 inch = 100 feet or less (called “plan drawings”) and supporting documents, which shall contain the following information:

(1) The edges of the proposed site and of any existing tower and associated equipment sites contiguous to or crossing it, and the identity of the property owner(s) of record of such site(s);

(2) Public roads and public lands crossing or adjoining the site;

(3) The approximate location on the site of each 10-foot contour line;

(4) The approximate location, type, and height of the proposed tower and associated equipment, position of guys, generalized description of foundations, and the location of any utility or other structures to remain on the site or to be removed;

(5) The probable points of access to the site including alternatives or options to the probable points of access;

(6) The edges of existing and proposed clearing areas, the type of proposed clearing at the site, and the location and species identification of vegetation to be cleared;

(7) Sensitive areas and conditions within and adjoining the tower site, including, but not limited to:

(A) Wetland and watercourse areas regulated under Chapter 440 of the Connecticut General Statutes, and any locations where construction may create drainage problems;

(B) Areas of high erosion potential;

(C) Any known critical habitats or areas identified as having rare, threatened, endangered, or special concern plant or animal species listed by federal and state governmental agencies;

(D) The location of any known underground utilities or resources including, but not limited to, electric lines, fuel lines, drainage systems, and natural or artificial, public or private water resources;

(E) Residences or businesses within or adjoining the site that may be disrupted during the construction process; and

(F) Significant environmental, historic and ecological features, including, but not limited to, significantly large or old trees, buildings, monuments, stone walls or areas of local interest.

(c) Supplemental information.

(1) Special environmental considerations arising from peculiar or unusual characteristics of the site;

(2) Special design features required by peculiar or unusual characteristics of the site; and

(3) All construction and rehabilitation procedures with reasonable mitigation measures that shall be taken to protect the areas and conditions identified in Subsection (b)(7) of this Section of the Regulations of Connecticut State Agencies, including, but not limited to:

(A) Construction techniques at wetland and watercourse crossings;

(B) Sedimentation and erosion control and rehabilitation procedures, consistent with the Connecticut Guidelines for Soil Erosion and Sediment Control, as updated and amended, for areas of high erosion potential;

(C) Precautions and all reasonable mitigation measures that shall be taken in areas within or adjoining the site to minimize any adverse impacts of such actions or modifications on endangered, threatened or special concern plant or animal species listed by federal and state governmental agencies and critical habitats that are in compliance with federal and state recommended standards and guidelines, as amended;

(D) Plans for modification and rehabilitation of surface, drainage and other hydrologic features;

(E) Plans for watercourse bank restoration in accordance with the provisions of Chapter 440 of the Connecticut General Statutes; and

(F) Plans for the protection of historical and archaeological resources with review and comment from a state historic preservation officer of the Department of Economic and Community Development, or its successor agency.

(4) The location of public recreation areas or activities known to exist or being proposed in or adjacent to the proposed site;

(5) Plans for the method and type of vegetative clearing and maintenance to be used for the proposed site;

(6) Plans for the ultimate disposal of excess excavated material, stump removal and for the periodic maintenance of the site;

(7) Locations of areas where blasting is anticipated;

(8) Rehabilitation plans, including, but not limited to, reseeded and topsoil restoration; and

(9) Such site-specific information as the Council may require.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50j-77. Reporting requirements

(a) Supervisory Personnel.

The certificate holder, or facility owner or operator, shall submit to the Council contact information for the personnel of the contractor assigned to the project.

(b) Notice.

(1) The certificate holder, or facility owner or operator, shall provide the Council, in writing, with a minimum of two weeks advance notice of the beginning of:

(A) clearing and access work, and

(B) construction of the tower and associated equipment.

(2) The certificate holder, or facility owner or operator, shall provide the Council with advance written notice whenever a significant modification of the approved D&M plan is necessary including, but not limited to, a change in the location of the tower, associated equipment, guy wires, or access road. The Council, or its designee shall promptly review the changes, and the Council shall approve, modify,

or disapprove the changes in accordance with subsection (d) of Section 16-50j-75 of the Regulations of Connecticut State Agencies.

(3) The certificate holder, or facility owner or operator, shall provide the Council with a monthly construction progress report, or a construction progress report at time intervals determined by the Council, indicating changes and deviations from the approved D&M plan. The Council may approve the changes and deviations or request corrections or mitigating measures.

(4) The certificate holder, or facility owner or operator, shall provide the Council with written notice of completion of construction and site rehabilitation.

(c) **Final report.**

The certificate holder, or facility owner or operator, shall provide the Council with a final report not later than 180 days after completion of all site construction and site rehabilitation. This final report shall identify:

(1) all agreements with abutters or other property owners regarding special maintenance precautions;

(2) significant modifications of the D&M plan that were required because of the property rights of underlying and adjoining owners or for other reasons;

(3) the location of construction materials which have been left in place in the form of culverts, erosion control structures along watercourses and steep slopes, and corduroy roads in regulated wetlands;

(4) the location of special areas where special planting and reseeding have been done; and

(5) agreements between the certificate holder and public agencies authorizing public recreational use of the site to the extent of the certificate holder's property rights thereto.

(d) The final report shall include the actual construction cost of the tower and associated equipment, including, but not limited to, the following costs:

(1) construction of the tower and associated equipment;

(2) site rehabilitation; and

(3) property acquisition for site or access to site.

(e) **Protective Order.**

The certificate holder, or facility owner or operator, may file a motion for a protective order pertaining to commercial or financial information related to the site or access to the site.

(Effective May 28, 1985; amended September 7, 2012)

Secs. 16-50j-78—16-50j-79. Reserved

Rules of Practice

Telecommunication Tower

Secs. 16-50j-80—16-50j-84.

Repealed, May 28, 1985.

Telecommunication Tower Development and Management Plan

Secs. 16-50j-85—16-50j-87.

Repealed, May 28, 1985.

Part 3
Tower Sharing

Sec. 16-50j-88. Procedure governed

A facility or any modification to a facility that the Council has determined satisfies the criteria of this section shall be deemed not to have a substantial adverse environmental effect and shall not require a certificate pursuant to Section 16-50k of the Connecticut General Statutes. Applications for proposed collocations or shared use of facilities, upon Council order approving the collocation or shared use, shall qualify for such exemption. The person requesting the collocation or shared use of a facility shall provide the Council with information in accordance with Section 16-50aa of the Connecticut General Statutes.

(Effective September 7, 2012)

Sec. 16-50j-89. Requirements for tower sharing

(a) Application for tower sharing.

A person requesting collocation or shared use of a facility under Section 16-50aa of the Connecticut General Statutes shall file with the Council an application for tower sharing, which shall include, but not be limited to, the following information:

(1) A description of the facility with a site plan detailing existing and proposed antenna installations and associated equipment;

(2) A description of the proposed antenna installation and associated equipment, including, but not limited to, types, number, height and configuration of antennas, location of associated equipment and utility connections;

(3) A structural analysis of the tower performed by an engineer licensed in the State of Connecticut with a certification that the proposed shared use is technically feasible;

(4) A letter from the owner of the facility that the owner agrees to the proposed shared use of the facility;

(5) A description of any potential environmental impact associated with the proposed shared use, including, but not limited to, on visibility, wetlands and water resources, air quality and noise;

(6) A calculation based on an approved methodology prescribed by the Federal Communications Commission of the power density of the radio frequency emissions to be generated by the existing antennas and the antennas to be installed;

(7) Such information as the applicant may consider relevant; and

(8) Such additional information as the Council may request.

(b) Feasibility Proceeding.

Upon request of the person seeking shared use of a facility, the Council shall initiate a feasibility proceeding under Section 16-50aa of the Connecticut General Statutes to determine whether the proposed shared use of a facility is technically, legally, environmentally and economically feasible and meets public safety concerns. The contested case provisions of Sections 16-50j-13 to 16-50j-34, inclusive, of the Regulations of Connecticut State Agencies shall govern the practice and procedure of the Council in any feasibility proceeding concerning the proposed shared use of a facility.

(Effective September 7, 2012)

Sec. 16-50j-90. Completeness review

(a) Submission of Tower Share application to the Council.

No tower share application shall be approved until a complete application containing all information deemed relevant by the Council has been filed. Relevant

information shall at a minimum include that listed in Section 16-50j-89 of the Regulations of Connecticut State Agencies unless an explanation of irrelevancy is provided for any item omitted from an application. The Council will reserve final judgment of an item's relevancy.

(b) Notification of completeness.

No later than 30 days after receipt of a tower share application, the Council shall notify the applicant in writing as to the lack of completeness of the application. If an applicant fails or refuses to correct any deficiencies in the manner directed and within the time prescribed by the Council, the application may be refused for lack of proper submission.

(Effective September 7, 2012)

ARTICLE 6

HAZARDOUS WASTE FACILITIES

Sec. 16-50j-91. Procedure governed

The rules contained in Sections 22a-116-1 to 22a-116-B-11, inclusive, of the Regulations of Connecticut State Agencies govern the practice and procedure for hazardous waste facilities siting before the Connecticut Siting Council under the applicable laws of the state of Connecticut and except where by statute otherwise provided.

(Effective September 7, 2012)

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Sec. 16-50l-1. Service

(a) General rule.

Service of all documents and other papers filed in all proceedings, including, but not limited to, complaints, motions, petitions, applications, notices, briefs, and exhibits, shall be by personal delivery, by first class mail, or by electronic means if recipients have elected to be served by e-mail.

(b) On whom served.

All such documents and other papers shall be served by the person filing the same on every person including the applicant who has theretofore been designated a party or intervenor in the proceeding in accordance with the Service List prepared by the Council in accordance with Section 16-50j-12 of the Regulations of Connecticut State Agencies.

(c) Service by the Council.

A copy of any document or other paper served by the Council, showing the addresses to whom the document or other paper was mailed, shall be placed in the Council's files and shall be prima facie evidence of such service and the date thereof.

(d) Service of written notice.

Written notice of all orders, decisions or certificates issued by the Council shall be given to the person affected and each party or his authorized representative by personal service upon such person or by United States mail, certified or registered, postage prepaid, return receipt requested.

(e) Newspaper publication.

Notice of any application for a certificate or of any application to amend a certificate shall be published by the applicant prior to the filing of such application at least twice in a newspaper or newspapers having general circulation in each municipality wherein any portion of any proposed facility or alternate thereto is to be located. Said notice shall state the name of the applicant, the approximate date of the filing of the application, a summary of such application and the reasons therefore. Such notice shall be published as specified in Section 16-50m(c) of the Connecticut General Statutes.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50l-1a. Completeness review

(a) Submission of application to the Council.

No certificate of environmental compatibility and public need shall be granted to any person until a complete application containing all information deemed relevant by the Council has been filed. Relevant information shall at a minimum include that listed in Section 16-50l-2 of the Regulations of Connecticut State Agencies unless an explanation of irrelevancy is provided for any item omitted from an application. The Council will reserve final judgment of an item's relevancy.

(b) Notification of completeness.

No later than 30 days after receipt of an application, the Council shall notify the applicant in writing as to the completeness of the application. If an applicant fails or refuses to correct any deficiencies in the manner directed and within the time prescribed by the Council, the application may be refused for lack of proper submission.

(c) Additional information.

A determination by the Council that an application is complete at the initiation of the certification process shall not preclude the Council from requiring the applicant

to submit additional information subsequently determined to be necessary for a proper and complete evaluation of the proposed facility.

(Effective September 7, 2012)

Sec. 16-50l-2. Form

The form to be followed in the filing of applications may vary to the extent necessary to provide for the nature of the legal rights, duties, or privileges involved therein, and to the extent necessary to comply with statutory requirements. Nevertheless, all applications shall include the following components:

(a) The purpose for which the application is being made;

(b) The statutory authority for such application;

(c) The exact legal name of each person seeking the authorization or relief and the address or principal place of business of each such person. If any applicant is a corporation, trust association, or other organized group, it shall also give the state under the laws of which it was created or organized;

(d) The name, title, address, and telephone number of the attorney or other person to whom correspondence or communications in regard to the application are to be addressed. Notice, orders, and other papers may be served upon the person so named, and such service shall be deemed to be service upon the applicant;

(e) Such information as may be required under the applicable provisions of Section 16-50l of the Connecticut General Statutes and Section 22a-118 of the Connecticut General Statutes;

(f) Such information as any department or agency of the state exercising environmental controls may, by regulation, require;

(g) Such information as the applicant may consider relevant; and

(h) Such additional information as the Council may request.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50l-3. Annexed materials

There shall be attached to the application any exhibits, sworn written testimony, data, models, illustrations, and all other materials that the applicant deems necessary or desirable to support the granting of the application. In addition, such annexed materials shall also include such exhibits, sworn written testimony, a description of the siting criteria and the narrowing process by which other possible sites were considered and eliminated, and other data that any statute or these rules may require.

(Effective March 7, 1989)

Sec. 16-50l-4. Rejection of an application

Where these rules require that specific exhibits or data be prepared and submitted as part of any application, the Council may not later than 30 days after the filing thereof reject and return to the sender any application that the Council finds to have failed to comply with such criteria for the submission of exhibits and data as set forth in Sections 16-50l-1 to 16-50l-5, inclusive, of the Regulations of Connecticut State Agencies and the Council's requests for additional information.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50l-5. Deficiencies in filing

When called to the attention of the applicant, all deficiencies in any filed application to the council must be promptly corrected. If any such deficiency is not promptly corrected in the manner directed by the council, the application may be denied and rejected for lack of proper submission.

(Effective July 3, 1972)

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Rules of Practice—Fees

Sec. 16-50v-1.

Repealed, May 28, 1985.

Sec. 16-50v-1a. Regulation of fees

(a) All application filing fees required by this section shall be paid to the Council at the time an application, amendment to an application, petition, statement of intent, modification of an existing facility, exempt modification, tower share, notice of exemption, or appeal is filed with the Council. Assessments shall be made on the applicant, petitioner, or appellant during any proceeding, or thereafter for all administrative, consulting, hearing, field inspections, and Development and Management Plan oversight expenses incurred by the Council and staff in excess of any filing fees paid pursuant to this section. The amount of any fees or assessments paid pursuant to this section in excess of actual costs incurred by the Council and staff, including consultant expenses, in connection with any proceeding shall be refunded to the applicant, petitioner, or appellant not later than 180 days after the Council’s decision in the matter.

(b) The fee for each application for a certificate for a facility described in subdivisions (1) to (6), inclusive, of subsection (a) of Section 16-50i of the Connecticut General Statutes shall be as follows:

Estimated construction cost	Fee
Up to \$5,000,000	05% or \$1,250.00, whichever is greater
Above \$5,000,000	.1% or \$25,250.00, whichever is less.

If an application for a certificate for a facility is incorporated in an application for a certificate for any other facility, the fee shall be calculated from the total cost of all such facilities.

(c) The filing fee for an application for an amendment to a certificate, for modification of any existing facility defined in Section 16-50i of the Connecticut General Statutes, for an appeal pursuant to Section 16-50x(d) of the Connecticut General Statutes, for an exempt modification pursuant to Sections 16-50j-57 and 16-50j-72 of the Regulations of Connecticut State Agencies, for a tower share pursuant to Section 16-50aa of the Connecticut General Statutes or for a petition for declaratory ruling or advisory ruling pursuant to Section 16-50j-38 of the Regulations of Connecticut State Agencies shall be \$625.00. If a hearing is scheduled for any of the foregoing actions, the Council may assess an applicant or petitioner during the proceeding and thereafter for all expenses of the Council and staff in connection with the review, hearing and decision of a matter.

(d) The filing fee for a statement of intent to acquire real property pursuant to Section 16-50z(a) of the Connecticut General Statutes shall be \$100.00.

(e) The expenses incurred for a Council or staff field inspection of a certified construction project, of a project for which a petition for declaratory ruling was filed, or for a statement of intent to acquire real property shall be billed quarterly to the applicant, petitioner or filer, and shall in no event exceed \$500.00 per review.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50v-2.

Repealed May 29, 1979.

Sec. 16-50v-3. Non-payment

The Council shall refrain from considering any pending and future matters filed by any person who fails to pay invoice and assessment amounts that are past due to the Council by 30 days or more under Section 16-50v of the Connecticut General Statutes.

(Effective September 7, 2012)

Sec. 16-50v-4. Municipal participation fees

In accordance with the provisions of Section 16-50bb of the Connecticut General Statutes, a municipal participation fee shall be paid at the time an application is filed with the Council. Such municipal participation fees shall not be paid for an application for a facility defined under Subdivisions (5) or (6) of Subsection (a) of Section 16-50i of the Connecticut General Statutes.

(Effective September 7, 2012)

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Acquisition of Real Property

Sec. 16-50z-1. Statement of intent to acquire

Any person engaged in the transmission of electric power or fuel, as defined in Section 16-50i of the Connecticut General Statutes, intending to acquire real property in contemplation of a possible future transmission facility under the provisions of Section 16-50z of the Connecticut General Statutes, shall, prior to entering any binding commitment therefor, file with the Council a statement of intent to acquire such property. This section applies to an application that incorporates an electric transmission line and an electric substation, but does not apply to an application for an electric substation only. The statement of intent to acquire real property shall include:

- (a) the reasons for the proposed acquisition;
- (b) a description of the property;
- (c) the names and addresses of any persons having an interest in said property;
- (d) the relationship of said property to any existing or future transmission facility;
- (e) the type of property interest to be acquired in said property;
- (f) the manner in which the advance acquisition of said property satisfies the requirements of said Section 16-50z(a) of the Connecticut General Statutes; and
- (g) The following maps:
 - (1) a U.S.G.S topographic quadrangle map (scale 1 inch = 2000 feet) marked to show the approximate location of such property; and
 - (2) a map (scale 1 inch = 200 feet or less) of the property itself indicating the acreage and dimensions of such property and the names and mail addresses of the abutting owners.

(Effective May 28, 1985; amended September 7, 2012)

Sec. 16-50z-2. Notice of review

The acquisition shall be deemed approved or may proceed unless the Council gives notice not later than 30 days after such filing that a hearing shall be held to review the conformity of such acquisition with the purposes and intent of Section 16-50z(a) of the Connecticut General Statutes or unless the Council receives a written request from the owner of the real property sought to be acquired to initiate a proceeding under Section 16-50z(c) of the Connecticut General Statutes. Notice of a hearing shall be given in accordance with Section 16-50j-21 of the Regulations of Connecticut State Agencies and Section 16-50l of the Connecticut General Statutes. Additional notice shall be:

- (a) Mailed, certified mail, to the parties of the proposed acquisition, to the chief executive officer and the planning commission of the town in which the property is located; and
- (b) Published as specified in Section 16-50m (c) of the Connecticut General Statutes and no less than 10 days prior to the date of the hearing in a newspaper having general circulation in the town in which the property is located.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50z-3. Hearing

The hearing shall be conducted in accordance with Section 16-50m of the Connecticut General Statutes and the Uniform Administrative Procedures Act, chapter 54 of the Connecticut General Statutes.

(Effective March 7, 1989; amended September 7, 2012)

Sec. 16-50z-4. Decision

(a) The Council shall render a decision upon the record either granting or denying the acquisition, giving consideration to:

- (1) The hardship for existing owners of the property and owners of adjacent properties;
- (2) The public need or public benefit for the acquisition;
- (3) The environmental impacts of electric or fuel transmission line development on the property and adjacent properties; and;
- (4) The location of the property proposed to be acquired.

(b) Approval of such acquisition requires the affirmative vote of the Council. The Council's decision shall be rendered not later than 6 months after the filing with the Council of a statement of intent to acquire property, or not later than 90 days following the Council's receipt of a written request to initiate a proceeding pursuant to Section 16-50z(c) of the Connecticut General Statutes, provided such time period may be extended by the Council by not more than 6 months with the consent of the person intending to acquire the property, or the parties may agree to a longer period.

(c) Notice of the decision of the Council shall be published in a newspaper having general circulation in the town in which the property is located not less than 10 days after the date of said decision. The general notice shall be published in accordance with Subsection (c) of Section 16-50m of the Connecticut General Statutes.

(Effective March 7, 1989; amended September 7, 2012)

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Clearances on Railroads With Reference to Overhead and Side Structures and Parallel Tracks

Part I

Definitions

Sec. 16-140-1. Definitions

For the purposes of these regulations, definitions as hereinafter prescribed will govern.

(1) "Height of a freight car" is the distance between the top of the rail and the top of the running board.

(2) "Side of a freight car" is that part of appurtenance of a car at the maximum distance measured at right angles from the center line of the car.

(3) "Width of a freight car" is twice the distance from the center line to the side of the car as defined herein.

(4) "Overhead clearance" is the normal distance from the plane of the top of the rails to a structure or obstruction above.

(5) "Side clearance" is the shortest distance from the center line of track to a structure or obstruction at the side of track.

(6) "Main track" is a track on which the authorized speed of trains is in excess of thirty miles per hour.

Part II

Overhead Clearances

Sec. 16-140-2. All tracks

The minimum overhead clearance above all railroad tracks shall be twenty-two feet, six inches.

(Effective April 2, 1973)

Sec. 16-140-3.

Repealed April 2, 1973.

Sec. 16-140-4.

Repealed, April 2, 1973.

Sec. 16-140-5. Tracks entering buildings

The overhead clearance above the top of the rail of such tracks located at the entrance and inside of buildings shall not be less than eighteen feet. All cars, trains, motors, engines or other equipment shall be brought to a stop before entering such buildings.

Sec. 16-140-6. Side tracks

On all tracks except main line, passing siding or yard tracks, the minimum overhead clearance may be reduced to not less than sixteen feet six inches, provided all trains on such tracks shall come to a full stop before passing under a structure erected pursuant to this section, and provided the railroad company shall issue an operating rule forbidding any train employee or other employee from getting upon or working upon the roof of any railway car, caboose or locomotive of a train on such tracks when passing under a structure erected pursuant to this section.

Sec. 16-140-7. Equipment for electric operation excepted

The clearance provided in this part shall not apply to the electric wires, signals and equipment required over present and future tracks for the operation of trains by electric energy, provided the carriers concerned shall promulgate and enforce rules to comply with an order promulgated by the public service commission of New York and concurred in by this commission which prohibits any employee from being on the top of cars while they are being operated under lower clearances than provided in this section.

Part III

Side Clearances

Sec. 16-140-8. Applicability

Minimum side clearances from the center line of tangent railroad tracks except as hereinafter prescribed, shall be as shown below.

(Effective April 2, 1973)

Sec. 16-140-9. Minimum clearance, generally

All structures and obstructions above the top of the rail except those hereinafter specifically mentioned shall have a minimum side clearance of eight feet six inches.

Sec. 16-140-10. Platforms

(a) Side clearances at platforms, except platforms adjacent to main line or passing tracks, four feet or less above the top of the rail may be reduced to six feet six inches on one side of such tracks only where a full clearance of eight feet, six inches is maintained on the opposite side of the track, or the track center distance to an adjacent track is not less than fourteen feet.

(b) Platforms four feet six inches or less above the top of the rail, when used principally for loading or unloading refrigerator cars, shall be constructed at least eight feet from the center line of track.

(c) Platforms previously constructed at less than the clearance herein prescribed may be extended at such existing clearance, unless extension is in connection with the reconstruction of the original platform.

(d) Low passenger platforms not over eight inches above the top of the rail shall not be less than five feet two inches from the center line of track.

(e) High level passenger platforms not over four feet two inches above the plane of the top of the rails on the adjacent track shall not be less than five feet seven inches from the center line of the track.

(Effective April 2, 1973)

Sec. 16-140-11. Tracks entering buildings

Side clearances, other than for platforms, on sidings only, at entrances to and inside of warehouse and industrial buildings shall be not less than eight feet from the center line of track.

Sec. 16-140-12. Switch boxes and equipment

Switch boxes, switch operating mechanism and accessories necessary for the control and operation of signals and interlockers four inches or less above the top rail shall be not less than three feet from the center line of track.

Sec. 16-140-13. Signal and switch stands

The center of signal and switch stands three feet or less above the top of the rail and located between tracks, when not practicable to provide clearances otherwise prescribed in these regulations, shall be not less than six feet from the center line of track.

Sec. 16-140-14. Bridges of main line tracks

The side clearances for through bridges carrying main line tracks may be decreased to the extent defined by a line extending vertically one foot and five feet nine inches laterally from the center line of track, then diagonally to a point three feet nine inches vertically above the top of the rail and six feet six inches laterally from the center line of track, then horizontally for a distance one foot six inches at a height of three feet nine inches above the top of the rail to a point eight feet from the center line of track, then vertically to conform with other sections of these regulations.

Sec. 16-140-15. Tunnels; water and oil columns

Tunnels, water columns and oil columns shall be not less than eight feet from the center line of track.

Sec. 16-140-16. Miscellaneous obstructions

The clearances for (a) water barrel platforms and refuge platforms on bridges and trestles not provided with walkways, (b) handrails, (c) water barrels, (d) water columns, (e) oil columns, (f) cattle guards and (g) stock chutes, when all or portions thereof are four feet or less above the top of the rail, may be decreased to the extent defined by a line extending diagonally upward from a point level with the top of the rail and five feet distant laterally from the center line of track to a point four feet above the top of the rail and eight feet distant laterally from the center line of track; provided the minimum clearance for handrails and water barrels on bridges with walkways shall be seven feet nine inches, and provided the minimum clearance for fences of cattle guards shall be six feet nine inches.

Sec. 16-140-17. Exception re handrails and water barrels

The lesser clearances authorized in section 16-140-16 of these regulations, provided for handrails and water barrels, shall not be applicable to through bridges where the work of trainmen or yardmen requires them to be upon the decks of such bridges for the purpose of coupling and uncoupling cars in the performance of switching service on a switching lead.

Sec. 16-140-18. Exception re mail cranes

The side clearances specified herein shall not apply to mail cranes during such time as the arms of such mail cranes are supporting a mail sack for delivery, provided the top arm is not then higher than ten feet eight inches above the top of the rail and neither arm extends within six feet five inches from the center line of track.

Sec. 16-140-19. Exception re fences

Side clearances specified herein shall not apply to intertrack fences located on the center line between tracks.

Sec. 16-140-20. Curve tracks

All minimum side clearances prescribed in this part are for tangent tracks. Structures adjacent to curve tracks shall have an additional minimum side clearance compensating for the curvature.

Part IV

Overhead and Side Clearances

Sec. 16-140-21. Decrease of clearances

The overhead and side clearances prescribed in these regulations may be decreased to the extent of a line extending diagonally downward from a point four feet from the center line of the track and twenty-two feet six inches above the top of the rail to a point eight feet six inches from the center line of the track at fourteen feet above the top of the rail. These clearances also apply to tracks located at entrances to and inside buildings.

(Effective April 2, 1973)

Sec. 16-140-21a. Exceptions

Structures or projects constructed or approved prior to the effective date of this regulation may be maintained and extended at the existing or approved clearances.

(Effective April 2, 1973)

Sec. 16-140-22. Canopies over freight platforms

Canopies over freight platforms may be constructed not less than four feet from the center line of track, provided: (a) The height of such canopies shall be at least seventeen feet six inches above the top of the rail, and (b) (1) minimum horizontal clearance of eight feet six inches shall be maintained between the center line of track and any structure on the side of the track opposite the canopy, or (2) minimum horizontal clearance of fourteen feet shall be maintained from the center line of track to the center line of adjacent track.

Part V

Clearance Between Parallel Tracks

Sec. 16-140-23. Main line and yard tracks, generally

The minimum distance between the center lines of parallel main line tracks shall be not less than thirteen feet and for yard tracks not less than fourteen feet, except as hereinafter provided.

Sec. 16-140-24. Tracks adjacent to main line or passing tracks

The center line of any track, except a main track or a passing track, parallel and adjacent to a main track or a passing track, shall be at least fifteen feet from the center line of such main track or passing track; provided, where a passing track is adjacent to and at least fifteen feet distant from the main track, any other track may be constructed adjacent to such passing track with clearance of not less than fourteen feet.

Sec. 16-140-25. Ladder tracks

The center line of any ladder track, constructed parallel to any other adjacent track, shall have a clearance of not less than eighteen feet from the center line of such other track, except that parallel ladder tracks shall have a clearance of not less than nineteen feet center line to center line.

Sec. 16-140-26. Team, house and industry tracks

The minimum distance between the center lines of parallel team, house and industry tracks shall be not less than thirteen feet.

Sec. 16-140-27. Extension of existing tracks

Tracks constructed prior to May 1, 1956, may be extended without increasing distances between tracks.

Part VI**Other Conditions and Obstructions Adjacent to Tracks****Sec. 16-140-28. Articles on adjacent ground or platform**

No merchandise, material or other articles shall knowingly be permitted to remain piled or assembled on the ground or on platforms adjacent to any track at a distance less than eight feet six inches from the center line of track.

Sec. 16-140-29. Walkways between tracks

The space between tracks ordinarily used by train and yardmen and other employees as a walkway in the discharge of their duties and the space beside such tracks within eight feet six inches of the center line thereof shall be kept in a reasonably suitable condition for such purpose.

Part VII**Lesser Clearances Created Prior to May 1, 1956****Sec. 16-140-30. Minimum clearances on relocation or reconstruction**

Except as otherwise provided herein, where the overhead or side clearances between a track and any building, structure or facility are less than the minimum prescribed in these regulations, but were created prior to May 1, 1956, the minimum clearances prescribed herein shall be provided whenever the building, structure or facility is relocated or reconstructed.

Part VIII**Exemptions****Sec. 16-140-31. Construction, maintenance and operation material or equipment**

Nothing herein shall be construed as preventing the movement or distribution of material over tracks when such material is necessary in the construction or maintenance of such tracks, nor in the movement of special work equipment used in the construction, maintenance or operation of the railroad, provided such movements shall be carried on under conditions reasonably necessary to provide for the safety of all concerned.

Sec. 16-140-32. Engine houses, shops and facilities

The clearances provided in these regulations shall not apply to engine houses, shops or engine house facilities.

Sec. 16-140-33. Emergencies

No restricted clearance set out herein shall apply to temporary construction made necessary on any construction project or temporary emergency conditions caused by derailments, washouts or other unavoidable disasters.

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Petitions and Applications

Sec. 16-235-1. Components for appeals to department

If the proceeding presented to the commission is an appeal under section 16-231 or 16-235 of the Connecticut General Statutes, the appellant shall follow the form described in sections 16-1-45 to 16-1-52, inclusive, of the regulations of Connecticut state agencies in the preparation of such appeal, to which the appellant shall attach:

(1) Statement describing in detail the location of the site that is the subject of the petition from whose decision the appeal has been taken;

(2) Where applicable, any plan, engineer's drawing, plot plan, map or other form of illustration necessary to describe the scope and nature of the area within which the work set forth in the petition is to be executed;

(3) Where applicable, an itemized statement of the cost of construction of the facilities in the form proposed in the appellant's petition. Such itemized statement shall also set forth the cost of constructing or of otherwise providing such facilities as shall be necessary and convenient to furnish the same utility service in the event that the commissioners affirm the decision appealed on said petition;

(4) Copy of the written order from which the appeal is taken;

(5) Copy of the original petition from whose denial the appeal is taken, including copies of all exhibits, documents and other materials that were annexed to or made a part of the petition when it was originally filed and thereafter;

(6) Transcript of any officially recorded hearing held in connection with determination of the petition from which the appeal is taken; and

(7) Statement of the facts and arguments supporting the appeal including any facts and arguments leading to the conclusion that public convenience will be better served if the commissioners sustain the appeal than if the commissioners reject the appeal.

(Effective December 21, 1971; transferred and amended from § 16-1-78, August 23, 2000)

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Construction and Maintenance Standards Governing Traffic Signals Attached to Public Service Company Poles

I. General Construction for New Installations and Revisions

The following procedures shall be followed for the standardization of traffic signal installations, as an aid to the Traffic Division of the Connecticut Department of Transportation ("DOT"), Towns, Cities, Boroughs, Fire Districts, Public Service Companies and Municipalities in the State of Connecticut.

Sec. 16-243-1. Clearance from utility poles

All traffic signal equipment mounted on supporting structures other than span wire, including flashing or illuminated signs and their controls, shall be located to provide a clearance of at least 10 feet wherever possible and a minimum of 5 feet from utility poles. If a pole of a public service company is to be used as a riser pole, rigid metal conduit shall be installed from the signal equipment to the pole and up to the point of attachment of the weatherhead as outlined elsewhere in these instructions.

(Effective February 4, 1976)

Sec. 16-243-2. Driven ground rods

At each foundation, handhole, and at each riser locating not associated with a foundation or handhole, a $5/8'' \times 8'$ minimum, driven ground rod shall be provided and connected to all controllers, conduits, walk lights, pole mounted radar vehicle detector brackets and pedestrian push button switches.

(Effective February 4, 1976)

Sec. 16-243-3. Controller equipment—external fuse or disconnect device

All controller equipment and associated external fuse or disconnect devices for traffic signals, flashing or illuminated signs shall be installed so as to (1) insure that an electrical connection exists between the service neutral conductor, the metallic controller enclosure, any metallic external fuse or disconnect device enclosure and the metallic conduit and (2) preclude the possibility of reversing the phase and neutral connections.

(Effective February 4, 1976)

Sec. 16-243-4. Use of utility poles

No traffic signal, flashing or illuminated sign or associated equipment, other than conduit, cable and support or guy strand may be installed on poles of any public service company.

(Effective February 4, 1976)

Sec. 16-243-5. Protection and grounding requirements

Electrical equipment protection and grounding requirements for socket type flashers and flashing or illuminated signs are:

(1) A fused disconnecting means or a circuit breaker device (of the lowest current rating consistent with the load requirements of the equipment and cable) shall be provided for power service to the flasher controller or sign. This device may be included within the equipment housing or it may be in a separate weatherproof, lockable enclosure, and shall be acceptable to the electric distribution company. In either case the neutral terminal shall, by design, be interconnected with the metallic protective device enclosure and the electric distribution company shall insure that the neutral conductor is connected to the neutral terminal;

(2) Where the power service protective device is in an enclosure which is external to and not part of the controller case, this enclosure and the controller case shall be made electrically continuous by a means other than the power service neutral conductor; and

(3) Properly identified line and neutral conductors for connecting electrical service conductors shall be provided.

(Effective February 4, 1976; amended August 23, 2000)

II. Construction Details

Sec. 16-243-6. Construction details

(a) The following construction details shall be followed:

(1) All traffic signal equipment and appurtenances, attached to or associated with poles of public service companies shall comply with the National Electrical Safety Code (NESC), 1984 edition, as may be from time to time amended;

(2) Rigid metal electrical conduit, installed and grounded as indicated in sections 16-243-1 TO 16-243-3, inclusive, of the regulations of Connecticut state agencies, is acceptable for riser and underground conduit and shall be installed in accordance with the National Electrical Safety Code (NESC), 1984 edition, as may be from time to time amended;

(3) Stand-offs, if required to support the conduit on the pole, shall be provided by the department of transportation, Town, City, Borough, or Fire District. In order to provide a four inch (4") clearance from the pole, stand-offs will be used on poles of public service companies only in accordance with at least one of the following requirements:

(A) The conduit size is 2 1/4 inches or greater;

(B) The final number of conduits (total on the pole) exceeds 2;

(C) There are stand-offs already in use on the pole; or

(D) There is an existing obstruction on the pole which does not allow the conduit to be directly attached to the pole;

(4) Metering is not required for these installations;

(5) A single conduit on the pole, containing both line and load conductors, is acceptable provided the load conductors have over-current protection; and

(6) There shall be a limit of 2 conduits on any one pole for traffic signal use and all such conduits shall be installed with a weatherhead.

(b) Each electric distribution company, may, consistent with sections 16-243-1 to 16-243-12, inclusive, of the regulations of Connecticut state agencies, specify the manner in which work will be accomplished on poles in which such electric distribution company has an interest, and shall determine all guying strand size and locations. Each electric distribution company shall perform all work higher than ten feet above the ground on poles in which it owns an interest. The electric distribution company shall provide and install all anchors, span wire, messenger, guy strand and associated hardware, at the expense of the department of transportation, Town, City, Borough, or Fire District installing the traffic signal. The public service company shall furnish an estimate of costs for all required work, but actual costs incurred by the public service company for both labor and materials shall be reimbursed by the department of transportation, Town, City, Borough, or Fire District installing the traffic signal. All required rights of way, guying permission, etc. shall be the responsibility of the department of transportation, Town, City, Borough, or Fire District installing the traffic signal.

(Effective April 22, 1986; amended August 23, 2000)

Sec. 16-243-7. Interconnect cables

Any Town, City, Borough or Fire District may run synchronizing (Interconnect) cables in the communication space according to Section 16-233 of the Connecticut General Statutes. Such circuits shall comply with communications requirements for Class 2 or Class 3 circuits according to the National Electrical Code (NEC) (725-31).

(Effective February 4, 1976; amended August 23, 2000)

Sec. 16-243-8. Clearance requirements for conductors

All conductors to span mounted traffic signal lights, when attached to poles of public service companies shall be installed to comply with the clearance requirements of the National Electrical Safety Code (NESC), 1984 edition, as may be from time to time amended. In general the following will apply:

(A) All traffic signal conductors (except certain interconnect cables) shall be installed 40" minimum above communications.

(B) Interconnect for a two signal system when attached to poles of a public service company, may be either by traffic signal conductor, leased communications lines, or according to Paragraph 7 above.

(C) Interconnect for a three or more signal system when attached to poles of a public service company, shall be via leased communication lines throughout the system, if available, or according to Paragraph 7 above.

(D) Span wire or messenger carrying conductors shall be attached 12" minimum below secondary if running parallel and 6" minimum if running other than parallel. All messenger, guys and span wires shall be installed so as to prevent midspan conflicts due to unequal sagging of different wires.

(E) Span wire or messenger not carrying conductors and insulated according to plate #2 may be installed a minimum of 6" above communications.

(F) All circuits connected to leased communication lines shall comply with Class 2 or Class 3 circuits as outlined in Article 725-31 of the NEC.

(G) Span or support poles shall be installed so as to maintain clearance requirements from existing conductors as set forth in The National Electrical Safety Code (NESC), 1984 edition, as may be from time to time amended. In no case may any such pole be located closer than 10' to an existing utility pole.

(H) Mastarms and other similar supporting structures must be installed so as to pass a minimum of 12" from communications cables.

(I) Any traffic signal equipment installed in accordance with these rules and regulations and with less than 40" clearance from communications will be subject to temporary relocation, if necessary, to allow for communications cable work.

(Effective April 22, 1986)

Sec. 16-243-9. Field meetings

Public Service Companies and the DOT, Towns, Cities, Boroughs and Fire Districts will make every effort to coordinate their departments so that only one field meeting is necessary. At this meeting the necessary pole heights, guying, clearances and stranding shall be worked out and the following information provided to each public service company involved:

(A) The electrical loan characteristics of the traffic signals which will affect billing.

(B) A plan showing the existing geometry of the intersection and any proposed changes, the final location of all poles and the proposed locations of all traffic signal equipment.

(C) The name of the customer to be billed for monthly electrical energy costs.

(D) The identity of the party to be billed for any construction costs, i.e., DOT, Town, City, Borough, Fire District or Contractor.
(Effective February 4, 1976)

Sec. 16-243-10. NESC—NEC

The department of public utility control recognizes the provisions of the National Electrical Safety Code and the National Electrical Code as minimum requirements and recommends the same as a guide to good practice for the installation, maintenance and operation of electrical facilities in all cases not governed by specific department orders and the provisions of this code as contained herein.
(Effective February 4, 1976; amended August 23, 2000)

Sec. 16-243-11. Exceptions

The installation procedures set forth in sections 16-243-1 to 16-243-12, inclusive, of the regulations of Connecticut state agencies, shall be followed unless a specific alteration, on a case by case basis, is allowed by the Department of Public Utility Control.
(Effective February 4, 1976; amended August 23, 2000)

III. Maintenance Responsibilities

Sec. 16-243-12. Maintenance responsibilities

(a) All new, relocated or revised attachments to poles owned by a public service company shall be accomplished by the electric distribution company, having an interest in said pole, or its authorized agent. All revisions involving changes in loading on public service company poles shall have prior approval of the electric distribution company having an interest in the pole.

(b) All other maintenance functions shall be the responsibility of the Department of Transportation, Town, City, Borough or Fire District normally performing such maintenance.

(c) All maintenance functions shall be performed in accordance with the construction standards outlined in sections 16-243-1 to 16-243-11, inclusive, of the Regulations of Connecticut State Agencies.

(d) The Department of Transportation, Town, City, Borough or Fire District shall hold the electric distribution company free and harmless from and against any and all demands, claims, suits, costs of defense, liabilities and other expenses in any way arising from the above mentioned maintenance unless caused by the negligence of the electric distribution company or its authorized agents and employees.

(Effective February 4, 1976; amended August 23, 2000)

APPENDIX

Plate #1

Secondary Service and Riser

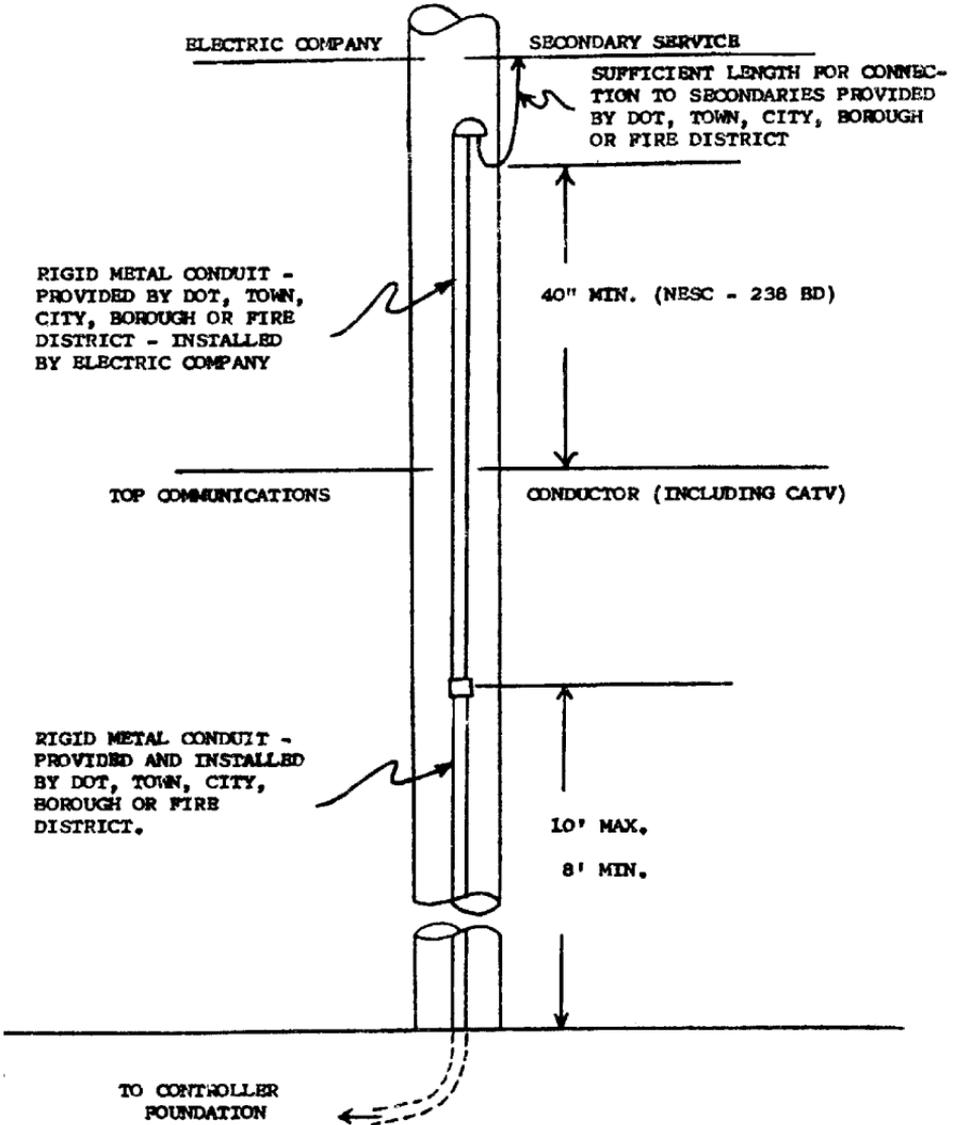


Plate #2 Traffic Signal Conductors and Riser

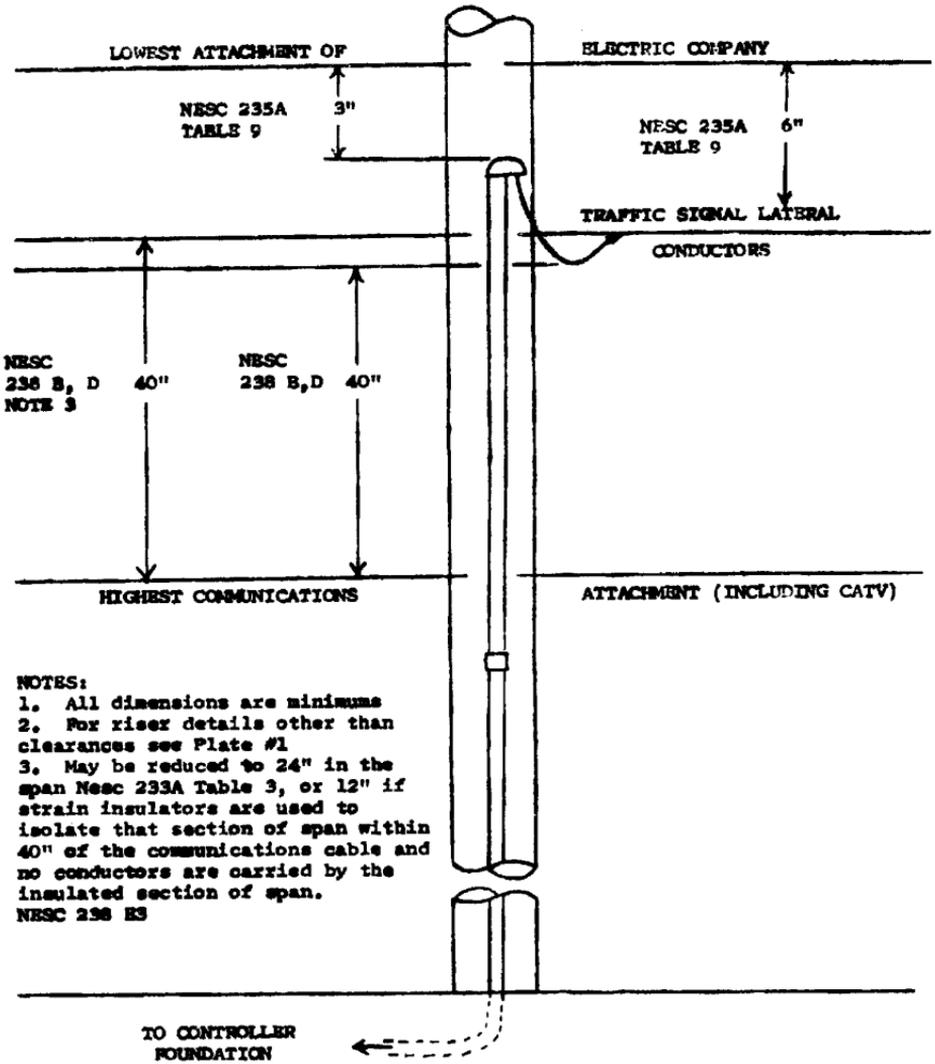


Plate #3
Traffic Signal Conductor Parallel Run

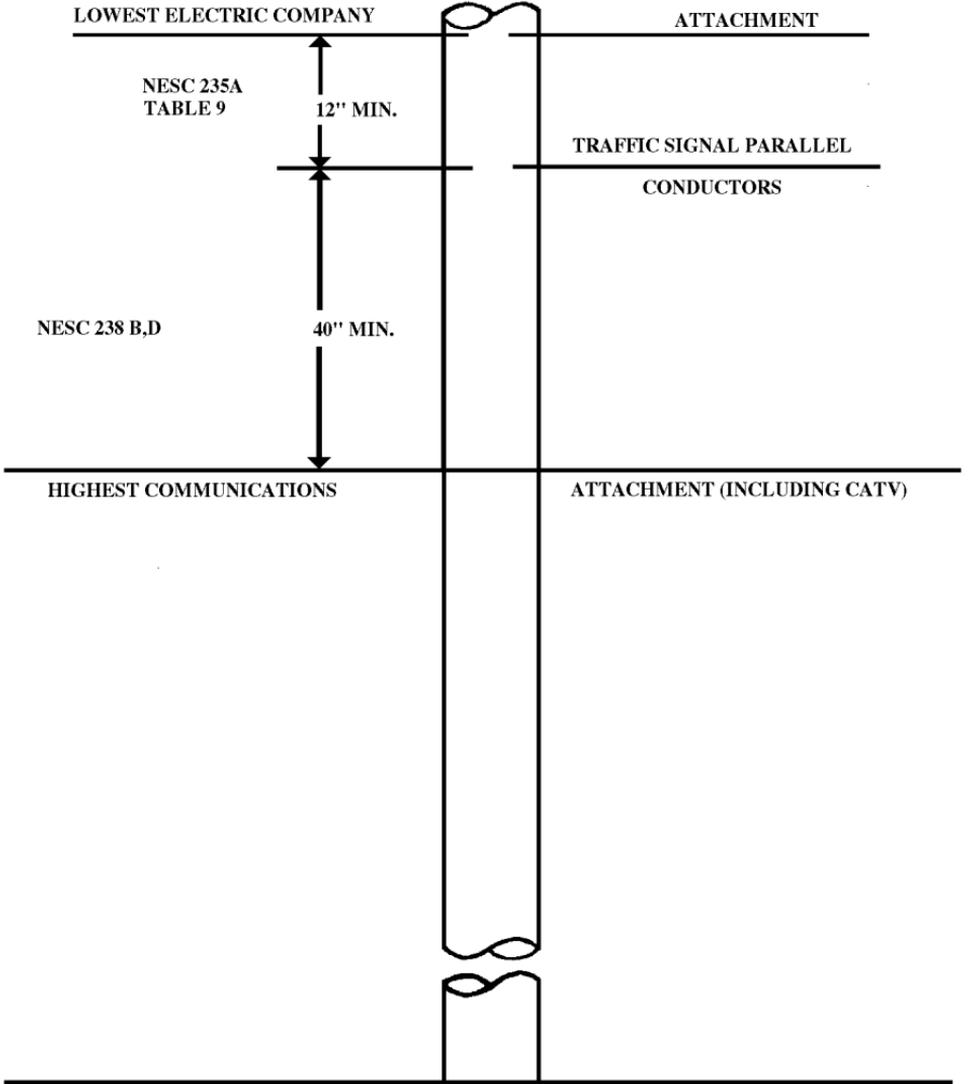


Plate #4 Leased Communications Lines or Interconnect

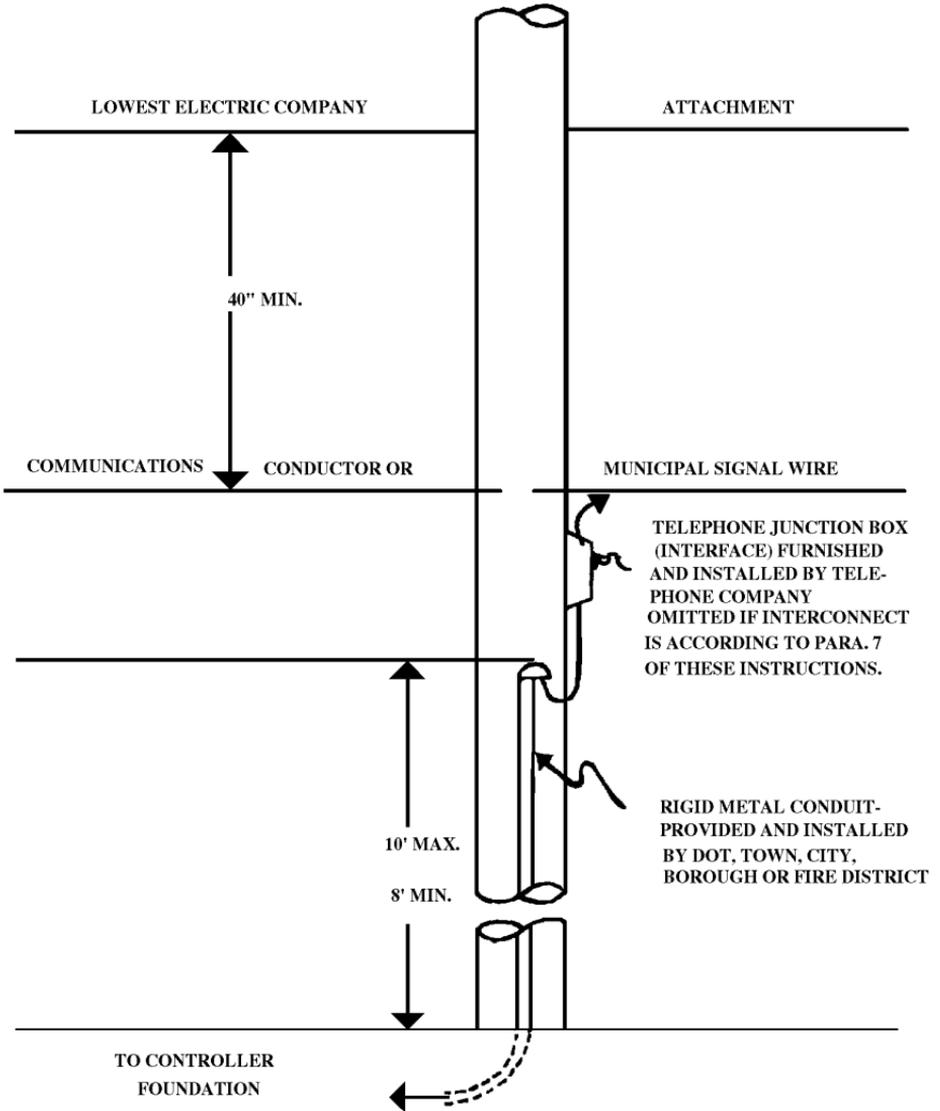


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Contract Procedures Pertaining to Electric Public Service Companies for Private Power Producers and Private Power Providers

Sec. 16-243a-1. General rule and definitions

(a) General Rule

These regulations establish procedures implementing Section 16-243a of the General Statutes of Connecticut concerning the purchase and sale of electricity between electric public service companies and private power producers and Connecticut General Statutes Section 16-243f concerning the manner in which capacity needs of electric public service companies may be met through the provision of electricity conservation and demand management measures by private power providers, in addition to or in lieu of electricity generation resources. The procedures shall apply to all private power producers not specifically exempted in Section 16-243a-7 of these regulations and to all private power providers. Nothing in these regulations shall be construed to preclude or restrain the company's short term management decisions made to improve the economics or reliability of its system or fuel mix through wholesale or retail supply or demand opportunities made in the operation of its franchise.

(b) Definitions

(1) "Authority" and "Department" as used in these regulations, shall be as defined in Section 16-1 of the Connecticut General Statutes.

(2) "Electric Public Service Company" as used in these regulations, shall mean a "public service company" which provides electric service, as defined in Section 16-1 of the Connecticut General Statutes.

(3) "Cogeneration Technology" as used in these regulations, shall be as defined in Section 16-1 of the Connecticut General Statutes.

(4) "Renewable Fuel Resources" as used in these regulations, shall be as defined in Section 16-1 of the Connecticut General Statutes.

(5) "Proxy Resource" as used in these regulations, shall be defined as that incremental resource, if any, identified as needed by the electric public service company after the public hearing and upon a finding by the Department pursuant to Section 16-243a-3 (b) of these regulations which but for the purchase from private power producers, such electric public service company would implement itself or purchase from another source.

(6) "Private Power Producer" as used in these regulations, shall be as defined in Section 16-243b of the Connecticut General Statutes.

(7) "Private Power Production Facility" as used in these regulations, shall be as defined in Section 16-243b of the Connecticut General Statutes.

(8) "Private Power Provider" as used in these regulations, shall be as defined in Section 16-243b of the Connecticut General Statutes.

(9) "Electricity Conservation or Demand Management Measures" as used in these regulations, shall mean the provision by an electric public service company, directly or through private power providers, of equipment or services to conserve electricity, measured in British thermal units at the point of use, or to manage electric load.

(10) "Electricity Conservation and Load Management Investments" as used in these regulations means any investments by electric public service companies in multi-year conservation and demand management measures designed to conserve electric energy or manage electric load.

(Effective October 26, 1989)

Sec. 16-243a-2. Utility filing requirements

(a) On or before April first of each even numbered calendar year, each electric public service company shall file the following information with the Department:

(1) A report of the status of all previously approved power purchase agreements with private power producers, including the current status of projects under construction, identification of projects in service, payments made, or proposed to be made, in each remaining year of each contract;

(2) A forecast of loads and resources including but not limited to existing supply options, conservation, load and demand management measures, facility requirements, re-powering or life extension, and bulk power purchases. This information must be consistent with the ten or twenty-year report of Annual Forecasts of Loads and Resources filed with the Connecticut Siting Council pursuant to Section 16-50r of the General Statutes of Connecticut;

(3) The long-term forecasts of energy prices for oil, natural gas and coal used for utility planning purposes in developing the information required in Sections 16-243a-2 (a) (2) and 16-243a-2 (b) (2) of these regulations; and

(4) A report on the comprehensive conservation and load management programs of the company including:

(A) The status of all electricity conservation and load management programs to which the company has made commitment for capital investments within the next ten years from the date of the report, including all conservation and load management programs planned for development within the next ten years;

(B) The effect of all existing and planned conservation and load management programs on the load, demand and resource requirements of the company for the next ten years, including a description of the program's consistency with state energy policy;

(C) Documentation of the program elements, costs, implementation requirements, and fuel and energy savings objectives for each conservation and load management program filed pursuant to this section for the next ten years;

(D) Documentation of fuel and energy savings achieved to date for each program; and

(E) A report of the status of all agreements between the company and private power providers, including the current status of conservation and demand services under contract but not yet operational, identification of such services currently being furnished under contract, and payments made, or proposed to be made, in each remaining year of each agreement.

(5) If the comprehensive conservation and load management program contains multi-year conservation and load management programs, the electric public service company shall file the following additional information:

(A) The expected annual cost of operating the program, the capital requirements for investment for each year of the program, and the anticipated savings of capacity and energy for each year of the program;

(B) Documentation as to the use of cash or energy credits to customers as part of the program; and

(C) Testimony regarding the requested premium above the most recently authorized rate of return requested by the electric public service company for each multi-year program requiring capital investment, the requested period of amortization, and the annual and cumulative amount requested to be recovered in rate base. Such information shall address each individual multi-year investment program as well as the cumulative effect of such programs.

(b) If the forecast filed pursuant to Section 16-243a-2 (a) (2) of these regulations, adjusted to reflect the load effects of all conservation and load management programs meeting the requirements as identified in Section 16-243a-3 (d) of these regulations, identifies the need for additional capacity resources to meet electric load requirements during the first ten years of the forecast period, or if the electric public service company, within the next two years from the date of the forecast filing, plans on committing to add additional resources which could be avoided by the purchase either of power from a private power producer or of electricity conservation and demand management measures from a private power provider, or both, the electric public service company shall file the following information:

(1) Testimony regarding the amount, type, characteristics and justification for additional resources needed to meet its electric load requirements expected to be requested from private power producers and the amount, type, characteristics and justification for conservation and demand management measures to be purchased from private power providers;

(2) Testimony documenting the anticipated avoided costs of energy and capacity during the forecast period based on the proxy resource, assuming that the resource used as a proxy for avoided cost determination would have been implemented by the electric public service company but for the purchase of capacity or energy or both from private power producers and or private power providers;

(3) A map indicating load center concentrations, transmission limitations, and planned and proposed changes to the transmission system within the franchise area during the forecast period; and

(4) The company's proposed requests for proposals for the supply of additional capacity resources from private power producers and or for the supply of conservation and demand management measures from private power providers and the proposed manner of selection and criteria for weighting of factors to be used in evaluating proposals from private power producers and or private power providers. In addressing the weighting of factors, the company shall take into account the following criteria: price, including ratepayer impact; timing; quality of output; likelihood of project success; impact on utility system, including reliability, safety and fuel use; likely environmental impact and any other factors deemed appropriate by the department.

(c) If the electric public service company does not anticipate the need for additional capacity resources during the first ten years of the forecast period, it shall file supporting testimony to demonstrate such finding, in addition to testimony as required by Sections 16-243a-2 (b) (2), 16-243a-2 (b) (3) and 16-243a-2 (d) of these regulations.

(d) Whether or not each electric public service company identifies a need for or commitment to obtain additional capacity resources within the time period as stated in Section 16-243a-2 (b) of these regulations, each electric public service company shall file the following information:

(1) A report of the status of all agreements between the electric public service company and private power providers, including the current status of conservation and demand management services under contract but not yet operational, identification of such services currently under contract, payments made, and payments proposed to be made in each remaining year of each agreement;

(2) Testimony regarding the amount, type and characteristics of conservation and demand management measures which the electric public service company plans to commit to in accordance with the company's electricity conservation and load management plan, and the anticipated impact on the company's demand and energy requirements, including peaks;

(3) Testimony regarding the amount, type and characteristics of conservation and demand management measures, apart from the company's own conservation and load management measures, which the company seeks to obtain from private power providers within two years of the date of the filing in order to meet the company's energy or capacity needs; and

(4) The proposed method for obtaining from private power providers the conservation or demand management measures identified in Section 16-243a-2 (d) (2) and Section 16-243a-2 (d) (3) of these regulations.

(e) On or before April first of each odd numbered calendar year, each electric public service company shall file the following information with the Department:

(1) A report of the status of all previously approved power purchase agreements with private power producers, including the current status of projects under construction, identification of projects in service, payments made, or proposed to be made, in each remaining year of each contract;

(2) A report of the status of all conservation and load management programs of the electric public service company and the status of all previously approved agreements for electricity conservation or demand management measures with private power providers, including the current status of program implementation and payments made or proposed to be made during each year of each agreement; and

(3) An update of the avoided energy cost based on the most recently authorized fossil fuel prices.

(Effective October 26, 1989)

Sec. 16-243a-3. Determination of additional resource needs and utility avoided costs; public hearing

(a) The Department shall conduct a public hearing on the filings made pursuant to Section 16-243a-2 (a) of these regulations, and shall, within 90 days, render a decision on the appropriate amount of additional resources, if any, to be solicited from private power producers and or private power providers by each electric public service company.

(b) Upon conclusion of the public hearing pursuant to Section 16-243a-3 (a) of these regulations and, if the Department finds additional capacity resources are necessary, the Department shall render a decision which shall include, without limitation, the following determinations:

(1) The anticipated amount and characteristics of additional capacity resources to be solicited from private power producers and the avoided costs, based on the proxy resource, for energy and capacity for the next ten, twenty, and thirty year periods;

(2) The proposed weighting of criteria used by each electric public service company for scoring proposals of private power producers, including, without limitation: price, including ratepayer impact; timing; quality of output; likelihood of project success; impact on utility system, including reliability, safety, and fuel use; and likely environmental impacts; and

(3) The proposed factors to be included in each electric public service company request for proposal for resource additions from private power producers needed to meet capacity requirements, including but not limited to, the following factors: pricing, including ratepayer impact; location and size of the proposed facility; fuel type; operational characteristics; date of commercial operation; interruptibility of generation at the request of the electric public service company; likely environmental impact and any other factors deemed appropriate by the Department.

(c) If the Department finds that it would be appropriate for the electric public service company to seek electricity conservation and demand management measures from private power providers, in addition to or in lieu of electricity generation resources, whether or not a finding has been made pursuant to Section 16-243a-3 (b) of these regulations that additional capacity resources are necessary, the Department shall render a decision which shall include, without limitation, the following determinations:

(1) The anticipated amount, type and characteristics of conservation and demand management resources to be solicited by the electric public service company from private power providers and the cost basis upon which payments shall be made;

(2) The specific method each electric public service company shall use in obtaining conservation or demand management measures from private power providers;

(3) The manner of selection and criteria for weighting of factors to be used by the electric public service company in evaluating proposals from private power providers, including, without limitation, the following criteria: price, including ratepayer impact; timing; quality of output; likelihood of project success; impact on utility system, including reliability, safety and fuel use, and likely environmental impacts; and

(4) The proposed factors to be included in an electric public service company request for proposal for resource additions from private power providers needed to meet capacity requirements, including but not limited to the following factors: pricing, including ratepayer impact of payments; anticipated effect on electricity demand and energy requirements of the company; basis of measuring savings resulting from conservation and load management measures; impact on the company's electric system, including safety, stability and reliability; specific location and size; environmental impact; operational characteristics; date of commercial operation; applicability to various classes and groups of ratepayers; and any other factors deemed appropriate by the Department.

(d) The Department shall review the conservation and load management plans of each electric public service company in conjunction with the forecast of loads and resources filed pursuant to Section 16-243a-2 of these regulations and the Department shall make, without limitation, the following determinations:

(1) Which of the electric public service company's conservation and load management programs are cost efficient and consistent with the provisions of the state conservation and energy policy and with provisions of Section 16a-35k of the Connecticut General Statutes;

(2) The amount and type of the electric public service company's proposed multi-year conservation and load management investments which qualify as investments for inclusion in the rate base of the company which may be recovered pursuant to Section 16a-49 of the Connecticut General Statutes; and

(3) The interim accounting mechanism for recovery of conservation and load management investments pending determination in the company's next filed application for rate adjustment.

(e) The appropriateness of the return on rate base requested by the electric public service company above its authorized rate of return for recovery of its approved multi-year conservation and load management investments as identified in Section 16-243a-2 (a) (5) shall be made by the Department in its consideration of the company's next application for amendment of rates. Such allowed return on the rate base for multi-year conservation and load management investments shall be at

a rate of no less than one per cent and no greater than five per cent above the electric public service company's most recently authorized rate of return.

(f) No costs incurred by an electric public service company in connection with any plan or program under which the company offers direct cash or energy source credit incentives or imposes undue economic burdens which are intended to promote the conversion of primary residential or commercial oil heating systems to electric heating systems shall be placed in the rate base of the electric public service company or included, directly or indirectly, as operating expenses of that company for the purposes of rate making.

(Effective October 26, 1989)

Sec. 16-243a-4. Electric public service company compliance

(a) If the decision of the Department rendered pursuant to Section 16-243a-3 (b) of these regulations identifies the need for additional capacity resources, each electric public service company shall, within sixty days following the issuance of the decision, file for approval with the Department, requests for proposals from either private power producers or private power providers or from both in compliance with the criteria established by the Department pursuant to Section 16-243a-3 of these regulations.

(b) If the decision of the Department rendered pursuant to Section 16-243a-3 (c) of these regulations determines that some or all of the capacity or energy needs of an electric public service company should be provided from conservation and demand management measures from private power providers, the electric public service company shall, in accordance with the Department's decision, seek proposals from private power providers to furnish such measures according to the criteria set forth in the decision of the Department.

(c) The Department shall review the electric public service company request for proposals for compliance with the requirements established pursuant to Section 16-243a-3 of these regulations and render its decision within thirty days from the filing of the request for proposals.

(Effective October 26, 1989)

Sec. 16-243a-5. Procedures for participation in the request for proposal process for private power producers and private power providers

(a) Following Department approval of the request for proposal pursuant to Section 16-243a-4 (a), each electric public service company shall respond as follows:

(1) Within thirty working days after approval of the filed request for proposal, the electric public service company shall issue the request for proposal in a manner which shall reasonably be designed to ensure that those interested in responding may have an opportunity to learn of it, including but not limited to publication in state newspapers of general circulation. A list of the published notices shall be filed with the Department when the request for proposal is issued. The company shall identify a date on which all final responses to the request for proposal shall be filed with the Department. Such date shall be one hundred twenty days from the issuance of the request for proposal.

(2) Each electric public service company shall provide all information necessary for private power producers and private power providers to develop their proposals in a timely manner, including but not limited to, the following items:

(A) A method by which private power producers and private power providers may obtain an estimate of interconnection costs;

(B) A method by which private power producers and private power providers may determine the ratepayer impact of their proposals;

(C) A method by which private power producers and private power providers may obtain clarifying and procedural information, not including assistance with formulating proposals.

(3) The electric public service company shall evaluate responses of private power producers and private power providers to the requests for proposals issued pursuant to Section 16-243a-4 (a) of these regulations in the following manner:

(A) The electric public service company shall be present at the opening of the proposals filed pursuant to Section 16-243a-5 (b) (2) and 16-243a-5 (c) (2) of these regulations, shall receive three copies of each proposal, and shall evaluate each proposal for completeness and accuracy of response to the request for proposal, and conformity with the criteria of the Department as adopted by the Department in the decision issued pursuant to Section 16-243a-3 of these regulations.

(B) Each electric public service company shall submit its evaluation of proposals to the Department within sixty days after the proposal submission date. The evaluation shall include a recommendation as to which proposals should be awarded contracts. Such recommendation, for each proposal and for the aggregate of all recommended proposals, shall include documentation which addresses: (1) the criteria established by the Department, (2) the effect on the electric public service company's revenue requirements, (3) the effect on the safety, reliability and capability of the electric public service company system, and (4) such other information as the Department may specify in its decision pursuant to Section 16-243a-3 of these regulations.

(C) At any time in the process, for good cause shown, the Department may consider or order modifications to proposals; reject any and all proposals; direct the electric public service company to solicit again for proposals; or suspend the ranking and selection process for cogeneration and small power production and the provision of conservation and demand management measures by private power providers.

(b) Private power producers who intend to respond to the approved request for proposal shall proceed as follows:

(1) Within thirty days of the issuance of a request for proposal by an electric public service company, any private power producer who intends to respond to a request for proposal shall file a statement of intent to file a proposal.

(2) Private power producers must submit to the Department ten copies of their final responses to the request for proposal on or before the date established by the electric public service company, as specified in Section 16-243a-4 of these regulations. Such proposals shall remain sealed until the first business day following the date on which all final responses are due.

(3) Proposals submitted in response to an approved request for proposal must include sufficient information and documentation to permit evaluation of the proposal according to the criteria established in Section 16-243a-3 (b) (2) of these regulations. Such information should include but not be limited to the following categories of data:

(A) Pricing proposal including initial price, payment escalation mechanism and proposed payment stream over the contract term;

(B) Project structure, including thermal user if any, ownership, relationship among project participants, and documentation of corporate and financial status of participants;

(C) Proposed fuel and documentation of fuel supply and source;

- (D) Proposed location and documentation of site control;
- (E) Preliminary engineering data and technical specifications;
- (F) Proposed capitalization plan and documentation of financial viability;
- (G) Environmental permit requirements and preliminary construction milestone schedule;

(H) Such other information as the Department may specify in the decision issued pursuant to Section 16-243a-3 of these regulations.

(c) Private power providers who intend to respond to the approved request for proposal shall proceed as follows:

(1) Within thirty days of the issuance of a request for proposal by an electric public service company, any private power provider who intends to respond to a request for proposal shall file a statement of intent to file a proposal.

(2) Private power providers must submit to the Department ten copies of their final responses to the request for proposal on or before the date established by the electric public service company, as specified in Section 16-243a-4 of these regulations. Such proposals shall remain sealed until the first business day following the date on which all final responses are due.

(3) Proposals submitted in response to an approved request for proposal must include sufficient information and documentation to permit evaluation of the proposal according to the criteria established in Section 16-243a-3 (b) (4) of these regulations. Such information should include but not be limited to the following categories of data:

(A) Pricing proposal including initial price, payment escalation mechanism and proposed payment stream over the contract term;

(B) Project structure, including utility customer if any, ownership, relationship among project participants, and documentation of corporate and financial status of participants;

(C) Documentation of fuel used and energy saved or displaced, measured in British thermal units at the point of use;

(D) Proposed location, including specific utility customer or customers, if appropriate, and documentation of site control or site access;

(E) Technical specifications and documentation of anticipated program savings over term of proposed contract;

(F) Proposed financing plan and documentation of financial viability;

(G) Environmental permit requirements and preliminary project schedule, including date of service delivery;

(H) Megawatts of capacity and kilowatthours of energy saved and the manner of measurement of delivery or savings;

(I) Reliability and non-performance provisions; and

(J) Such other information as the Department may specify in the decision issued pursuant to Section 16-243a-3 of these regulations.

(d) Each electric public service company that has issued a request for proposals for the provision of conservation and demand management measures from private power providers pursuant to Section 16-243a-3 (c) shall, within 120 days of the issuance of the Department's decision pursuant to Section 16-243a-3 (c) of these regulations, submit a report to the Department setting forth the details of the company's compliance with the Department's decision, including but not limited to:

(1) Information as to the means and media used by the company to provide information to potential private power providers about the conservation or demand management measures sought by the utility;

(2) List of private power providers submitting proposals to the electric public service company;

(3) The electric public service company's evaluation of each proposal submitted by a private power provider;

(4) The electric public service company's recommendation to the Department as to which proposals are feasible, cost effective, and consistent with the Department's criteria, and a ranking of all proposals;

(5) Such other information as the Department may require in its decision pursuant to Section 16-243a-3 (c) of these regulations or that the electric public service company believes may be useful to the Department in reviewing and evaluating proposals of private power providers.

(e) In evaluating, recommending and ranking private power providers' proposals, the electric public service company shall consider:

(1) The factors and evaluation criteria as determined by the Department under the provisions of Section 16-243a-3 (b) of these regulations;

(2) Effects on the safety, stability and reliability of the utility's electric system;

(3) Measurement of anticipated dollar, energy and capacity savings, and an explanation of the methodology used to calculate and estimate such savings;

(4) Pricing, including ratepayer impact;

(5) Consistency with state energy policy;

(6) Likely environmental impact, and status of all necessary environmental permits;

(7) Operational characteristics;

(8) Proposed operation or implementation date;

(9) The ratepayer or groups of ratepayers to whom the conservation and load management measures would be made available;

(10) Such other information as the Department may specify in the decision issued pursuant to Section 16-243a-3 (c) of these regulations; and

(11) Other pertinent information relating to the proposal, the private power provider, or impact of the conservation and load management measures.

(Effective October 26, 1989)

Sec. 16-243a-6. Ranking and selection by the department

(a) The Department shall conduct a public hearing to review the evaluation performed by the electric public service companies to ensure that it is consistent with the criteria established by the decision of the Department pursuant to Section 16-243a-3 of these regulations, and shall, within ninety days of the date of submittal of the electric public service company's evaluation of proposals, issue a decision determining which proposals are consistent with the requirements of Section 16-243a of the Connecticut General Statutes.

(b) Within thirty days of the decision of the Department pursuant to Section 16-243a-6 (a) of these regulations, the Department shall notify successful private power producers and/or private power providers of their eligibility to enter long term contracts, and shall specify any conditions or limitations to their eligibility. A copy of such notice shall be sent to each affected electric public service company.

(c) Within one hundred and twenty days of the notification of eligibility by the Department pursuant to Section 16-243a-6 (b) of these regulations, the electric public service company and the private power producer or private power provider shall file with the Department executed contracts incorporating the terms and conditions included in the private power producer's or private power provider's response

to the request for proposal and any modifications or additions included in the Department's notification pursuant to Section 16-243a-6 (b) of these regulations.
(Effective October 26, 1989)

Sec. 16-243a-7. Private power producer exemptions

(a) Any private power producer who seeks exemption from the requirements of Section 16-243a-5 of these regulations shall file all of the information required by Section 16-243a-5 (b) of these regulations, and shall state grounds for the request for exemption. The following types of proposals are exempt from the process established in these regulations:

- (1) Projects of a name plate capacity between 100 kilowatts and 1000 kilowatts;
- (2) Projects for which proposed pricing arrangements do not exceed projected annual avoided costs of the avoided resource of the electric public service company as determined by Section 16-243a-2 (b) (2) of these regulations;
- (3) Projects of five megawatts or less fueled by a renewable resource other than wood;
- (4) Resource recovery projects which seek pricing under the provisions of Section 16-243a of the Connecticut General Statutes.

(b) Projects seeking pricing pursuant to Section 16-243e of the Connecticut General Statutes shall not be subject to these regulations and will be considered by the Department on an individual basis.

(c) Any private power producer requesting exemption from the requirements of Section 16-243a-5 of these regulations shall file all of the information specified in Section 16-243a-5 (b) (3) (A) through (G) of these regulations with the Department and the electric public service company. The Department shall act on such contract within one hundred and twenty days from the date of filing the information in full, if it finds that the filing demonstrates that:

- (1) the private power producer meets the standards for exemption specified in Section 16-243a-7 (a) of these regulations, and
- (2) the preliminary information indicates that the project is technically and economically feasible, and
- (3) the contract term is consistent with the probable useful life of the project and is not greater than thirty years, and
- (4) the pricing terms, on a cumulative present worth basis, are projected to result in payments less than or equal to one hundred percent of the avoided costs of the electric public service company, and
- (5) the proposal contains a security provision which is expected to provide for cash or cash equivalent security equal to at least ten percent of proposed front loaded payments for projects utilizing renewable resources, and twenty percent of proposed front loaded payments for other projects, and

(6) the proposed contract does not contain any provisions which differ from the standard contract(s) currently approved by the Department, or the contract has been agreed upon by the electric public service company and the private power producer and does not contain any provisions which are likely to have a significant adverse impact on the electric public service company or its ratepayers.

(d) The avoided costs used for evaluating projects under Section 16-243a-7 (c) of these regulations shall be the most recent determination of avoided costs approved by the Department.

(e) The electric public service company shall provide information to private power producers who are requesting exemption from the requirements of Section 16-243a-5 as required in Section 16-243a-5 (a) (2) of these regulations.

(f) The Department may at any time approve, deny or modify any project which seeks an exemption pursuant to this section. The Department may also suspend at any time the exemptions permitted by this section.

(g) The Department may rule on a case by case basis on any requests for exemption from these regulations by private power producers. The Department makes no specific categorical exemptions for private power providers at this time.

(Effective October 26, 1989)

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Competitive Bidding Process for Electric Distribution Companies' Procurement of Default and Back-up Electric Generation Services

Sec. 16-244c-1. Definitions

As used in sections 16-244c-1 to 16-244c-14, inclusive, of the Regulations of Connecticut State Agencies:

(1) "Affiliate" means "generation entity or affiliate" as defined in section 16-1 of the Connecticut General Statutes;

(2) "Auction agent" means the department or any person or entity authorized or designated by the department to administer a competitive bidding proceeding pursuant to subsection (b) or (c) of section 16-244c of the Connecticut General Statutes or section 16-244c-2 of the Regulations of Connecticut State Agencies;

(3) "Back-up service" means the electric generation service provided by an electric distribution company to any customer who has entered into a service contract with an electric supplier that fails to provide electric generation services for reasons other than the customer's failure to pay for such services;

(4) "Customer" means any person who is a consumer of electric generation, electric transmission and electric distribution services;

(5) "Default service" means the electric generation service provided by an electric distribution company on and after January 1, 2004, to any customer who does not or is unable to arrange for or maintain electric generation services with an electric supplier;

(6) "Department" or "the DPUC" means the Department of Public Utility Control or its successor;

(7) "Electric distribution company" means "electric distribution company" as defined in section 16-1 of the Connecticut General Statutes;

(8) "Electric generation services" means electric energy, electric capacity or generation-related services;

(9) "Electric supplier" means "electric supplier" as defined in section 16-1 of the Connecticut General Statutes;

(10) "ISO" means the New England Regional Independent System Operator or its successor; and

(11) "Person" means "person" as defined in section 16-1 of the Connecticut General Statutes.

(Adopted effective November 2, 1999)

Sec. 16-244c-2. Competitive bidding required

On and after January 1, 2000, each electric distribution company shall procure electric generation services for the provision of default and back-up services through a competitive bidding process, provided that prior to January 1, 2004, an electric distribution company may procure such electric generation services from its affiliates in lieu of a competitive bidding process.

(Adopted effective November 2, 1999)

Sec. 16-244c-3. Competitive bidding procedure

(a) The purpose of the competitive bidding process is to invite competition, guard against favoritism, improvidence, extravagance, fraud and corruption, and secure a reliable electricity supply at the lowest available price for default and back-up service customers in the state.

(b) Any competitive bidding proceeding administered pursuant to subsection (b) or (c) of section 16-244c of the Connecticut General Statutes or section 16-244c-2

of the Regulations of Connecticut State Agencies shall be conducted in accordance with Sections 16-244c-1 to 16-244c-11, inclusive, of the Regulations of Connecticut State Agencies.

(c) For each competitive bidding proceeding, the department shall:

(1) Determine whether one or more bidders shall be chosen to provide default or back-up service or both;

(2) Determine whether the chosen bidder or bidders shall provide electric generation services to one or more electric distribution companies in the state;

(3) Appoint or designate an auction agent to administer the bidding proceeding; and

(4) Determine the winner selection criteria, which may include but shall not be limited to the following:

(A) A comparison of competing bids in terms of total net present value of the cost of service for the bid period;

(B) A year-to-year comparison of the cumulative annual present value of the cost of service of the competing bids;

(C) A risk analysis of competing bids in relation to price and load forecast uncertainties; and

(D) A comparison of the competing bids in terms of renewable energy resources or portfolios.

(Adopted effective November 2, 1999)

Sec. 16-244c-4. Customer usage information

(a) At the department's request, each electric distribution company shall provide to the department the following historical information:

(1) For each customer class in the electric distribution company's service territory: (A) the number of customers, monthly demand, energy consumption and load shapes for a typical week for back-up service; and (B) the number of customers, monthly demand, energy consumption and load shapes for a typical week for default service. This information shall reflect actual data during the calendar year immediately prior to the date the information is provided;

(2) A description and explanation of factors that could cause the information provided in this subsection to be unrepresentative of electricity usage in the electric distribution company's service territory in the one-year period following the date of the information; and

(3) Any other information requested by the department.

(b) Each electric distribution company shall use its best efforts in compiling and providing the information required in this section. An electric distribution company shall promptly notify the department upon discovery of any significant or material inaccuracies in the information provided and shall promptly file corrected information with the department.

(Adopted effective November 2, 1999)

Sec. 16-244c-5. The department's order for bidding

(a) Prior to the commencement of a competitive bidding process for default or back up services, the department shall issue an Order for Bidding.

(b) The department's Order for Bidding shall be sent to the affected electric distribution companies and the auction agent selected by the department, published at least once in such newspaper as will serve to substantially inform the public of such Order, and placed on the department's internet web site for a period of not less than 30 days from the date of the Order. Such Order shall contain, at minimum, the following information:

(1) The name, address and telephone number of the auction agent to administer the competitive bidding proceeding;

(2) Information concerning whether the winning bidder is expected to provide default or back-up service or both;

(3) Information about the electric distribution companies to which the winning bidder would be expected to provide electric generation services;

(4) The dates on which the default and back-up services are scheduled to begin;

(5) The winner selection criteria; and

(6) The guidelines, specifications or formula for the bid price.

(Adopted effective November 2, 1999)

Sec. 16-244c-6. Request for proposals

(a) No later than ten days after the date of the department's Order for Bidding pursuant to section 16-244c-5 of the Regulations of Connecticut State Agencies, the auction agent shall issue a Request for Proposals. Such Request shall be sent by first-class mail to every electric supplier in this state, published at least once in such newspapers as will serve to substantially inform the public of such Request, and placed on the auction agent's internet web site for a period of not less than 30 days. Each Request shall contain, at minimum, the following information:

(1) The deadline for submitting a bid which shall not be less than 45 days after the date of the Request for Bids;

(2) The bid selection date which shall not be less than 60 days after the date of the Request for Bids;

(3) The procedure and information required for filing a bid with the auction agent;

(4) A contact person at the auction agent;

(5) All the information provided in the department's Order for Bidding pursuant to section 16-244c-5 of the Regulations of Connecticut State Agencies; and

(6) Any other information required by the department.

(b) No later than three days after a potential bidder's request, the auction agent shall provide to such bidder the information concerning customer usage as provided to the department by the electric distribution companies pursuant to section 16-244c-4 of the Regulations of Connecticut State Agencies.

(Adopted effective November 2, 1999)

Sec. 16-244c-7. Submission of bids

(a) Bids may be amended or withdrawn at any time prior to the submission deadline. On and after the submission deadline, bids may not be amended but may be withdrawn.

(b) When a bid is submitted, the auction agent shall immediately review it for format and content. The auction agent may reject and return any bid that is incomplete or submitted after the submission deadline.

(c) The auction agent shall keep all submitted bids sealed and confidential from public view at all times, provided however, that the auction agent may maintain, publish and make available to the public a list of the names of the bidders.

(Adopted effective November 2, 1999)

Sec. 16-244c-8. Content and format of bids

(a) Each bidder shall use all reasonable efforts to conform and comply with any bid format specified or required by the department or the auction agent.

(b) Notwithstanding subsection (a) of this section, each bid shall contain, at minimum, the following:

- (1) The bidder's name and address;
 - (2) A bond, letter of credit or corporate guarantee for funding of replacement generation service in the event that the bidder fails to provide service. The proceeds of such bond, letter of credit or corporate guarantee shall be equal to ten percent of the dollar value of the bid and payable to the electric distribution company or companies to whom the bidder would be obligated to provide service;
 - (3) Information concerning the bidder's capacity and ability to coordinate with the billing agent and the affected electric distribution companies;
 - (4) The bid parameters, including but not limited to the following:
 - (A) whether the bid is for default or back-up service or both;
 - (B) the name of the electric distribution companies that the bidder wishes to serve;
 - (C) the types and amounts of electricity services that the bidder wishes to provide;
 - (D) the proposed service period, which shall not be more than 5 years;
 - (E) the bid price, in accordance with the guidelines, specifications or formula set forth by the department pursuant to section 16-244c-5(b)(6) of the Regulations of Connecticut State Agencies; and
 - (F) any fixed or minimum charges; and
 - (5) Any other information required by the department.
- (Adopted effective November 2, 1999)

Sec. 16-244c-9. Selection of the winning bidders

(a) On the selection date specified in the Request for Proposals, the auction agent shall select a winning bidder in accordance with the selection criteria set forth by the department pursuant to section 16-244c-3(c)(4) of the Regulations of Connecticut State Agencies. No later than two business days after the selection date, the auction agent shall submit the results of the proceeding to the department for approval.

(b) Notwithstanding any other provisions of this section, the auction agent may select as many winning bidders as the department or auction agent determines to be in the best interest of ratepayers. With the department's prior approval, the auction agent shall have the right to negotiate modifications to any bid at any time prior to or after selecting a winner.

(c) The department shall notify all the bidders of the results of the bidding proceeding. The notification to the winning bidder or bidders shall describe and specify the terms of the engagement or services awarded.

(d) No later than five business days after the selection date, the auction agent shall deliver to the department copies of all the materials received, produced, copied or replicated during the bidding process, and shall certify to the department that it no longer possesses any such materials. The department may issue a protective order or orders to protect such information exempt from public disclosure as provided under section 1-210(b) of the Connecticut General Statutes or any regulations adopted pursuant to section 4-167 of the Connecticut General Statutes.

(Adopted effective November 2, 1999)

Sec. 16-244c-10. Obligations of the winning bidders

(a) No later than fifteen days after receipt of the department's notice pursuant to section 16-244c-9(c) of the Regulations of Connecticut State Agencies, each winning bidder shall execute a contract with each electric distribution company to whom such bidder would be obligated to provide service. Any winning bidder who fails to enter into such contract may be deemed to be (1) in breach of its default or back-up service engagement or agreement, and (2) subject to subsection (b) of this section.

(b) The department may cause payments to be made under a winning bidder's bond, letter of credit or corporate guarantee provided pursuant to section 16-244c-8(b)(2) of the Regulations of Connecticut State Agencies to defray any costs incurred by the department, electric distribution companies or customers due to such bidder's material breach of its default or back-up service engagement or agreement.

(Adopted effective November 2, 1999)

Sec. 16-244c-11. Electric distribution company as auction agent

If the department designates an electric distribution company as the auction agent in a competitive proceeding pursuant to subsection (b) or (c) of section 16-244c of the Connecticut General Statutes or section 16-244c-2 of the Regulations of Connecticut State Agencies, such electric distribution company shall strictly observe the code of conduct as set forth in section 16-244h of the Connecticut General Statutes and any regulations adopted pursuant to said section. Such competitive bidding process shall be considered communications necessary for back-up and default services. No electric distribution company or its affiliates shall use such competitive bidding process to circumvent the provisions or goals of section 16-244h of the Connecticut General Statutes or any regulations adopted pursuant to said section. Any violations of this section shall be subject to investigation and enforcement consistent with section 16-244h of the Connecticut General Statutes or any regulations adopted pursuant to said section.

(Adopted effective November 2, 1999)

Sec. 16-244c-12. Notice by electric supplier on cessation of business

(a) No later than sixty days prior to cessation of Connecticut business operations or any portion thereof, an electric supplier shall issue a public notice announcing the cessation of its business operations. Such notice shall be (1) sent by first-class mail to (A) the department, (B) every electric distribution company that serves such electric supplier's Connecticut customers, and (C) every Connecticut customer who will be affected by such cessation of business operations; (2) published as a public notice once a week for six consecutive weeks in such newspapers as will serve to substantially inform such electric supplier's Connecticut customers; and (3) placed on such electric supplier's internet web site for a period of not less than 30 days.

(b) Any notice provided pursuant to subsection (a) of this section shall contain, at minimum, the following information:

(1) the electric supplier's name and current business address;

(2) the name, address, and toll-free telephone number of a contact person to whom questions can be directed;

(3) the electric supplier's last date of operation; and

(4) a business address to which correspondence can be forwarded after the last date of operation.

(c) Any notice mailed to Connecticut customers pursuant to subsection (a) of this section shall (1) be sent to the customer of record at the customer's billing address, and (2) contain the following, in addition to the information required in subsection (b) of this section:

(A) A statement, in bold print, advising that the customer will be receiving back-up service if the customer does not contract with another electric supplier by a specified date;

(B) The date, in bold print, by which the customer must elect and contract with another electric supplier to avoid being placed on back-up service; the rate, in bold

print, of the back-up service at which the customer will be charged; and the terms and conditions of such back-up service;

(C) The most current list, as maintained by the department, of all electric suppliers licensed in Connecticut;

(D) The name, address and toll-free telephone number of the electric distribution company for customer service inquiries; and

(5) The department's address, internet web site and customer service telephone number.

(Adopted effective November 2, 1999)

Sec. 16-244c-13. Notice by electric supplier on termination proceedings

(a) No later than fifteen days after ISO initiates a termination proceeding against an electric supplier, such electric supplier shall notify the department, the electric distribution companies and the Connecticut customers of such termination proceeding.

(b) No later than fifteen days after the department initiates a proceeding to terminate or revoke an electric supplier's license, such electric supplier shall notify the electric distribution companies and the Connecticut customers of such proceeding.

(c) Any notice provided pursuant to subsection (a) or (b) of this section shall be (1) sent by first-class mail to (A) the department, if applicable; (B) every electric distribution company that serves the electric supplier's Connecticut customers; and (C) every Connecticut customer with whom the electric supplier has contracted to provide electric generation services; (2) published as a public notice once a week for six consecutive weeks in such newspapers as will serve to substantially inform such electric supplier's Connecticut customers; and (3) placed on such electric supplier's internet web site for a period of not less than 30 days.

(d) Any notice provided pursuant to subsection (a) or (b) of this section shall contain, at minimum, the following information:

(1) the electric supplier's name and current business address;

(2) the name, address and toll-free telephone number of a contact person to whom questions can be directed;

(3) the reason for the termination or revocation proceeding and a description of such proceeding; and

(4) the date on which the termination or revocation proceeding was initiated and the date by which such termination proceeding is expected to be resolved.

(e) Any notice mailed to Connecticut customers pursuant to this section shall be sent to the customer of record at the customer's billing address, and contain the following, in addition to the information required by subsection (d) of this section:

(1) A statement, in bold print, advising that such electric supplier may be prohibited from doing business in Connecticut by the end of the termination or revocation proceeding and that the customer will be placed on back-up service at that time;

(2) The estimated date, in bold print, by which the customer must elect and contract with another electric supplier to avoid being placed on back-up service; the rate, in bold print, of the back-up service at which the customer will be charged; and the terms and conditions of such back-up service;

(3) The most current list, as maintained by the department, of all electric suppliers licensed in Connecticut;

(4) The name, address and toll-free telephone number of the electric distribution company for customer service inquiries; and

(5) The department's address, internet web site and customer service telephone number.

(Adopted effective November 2, 1999)

Sec. 16-244c-14. Notice by electric distribution company

(a) An electric distribution company shall be required to provide notice pursuant to this section only if an electric supplier fails to provide notice in accordance with section 16-244c-12 or 16-244c-13 of the Regulations of Connecticut State Agencies.

(b) No later than 10 days after an electric distribution company has knowledge of an electric supplier's violation of noncompliance with section 16-244c-12 of the Regulations of Connecticut State Agencies, such electric distribution company shall notify the public, the department and the customers of such violation or noncompliance. Such notice shall be provided in accordance with section 16-244c-12 of the Regulations of Connecticut State Agencies.

(c) No later than thirty days after ISO initiates a termination proceeding against an electric supplier, each electric distribution company serving such electric supplier's Connecticut customers shall notify the public, the department and the customers of such termination proceeding. Such notice shall be provided in accordance with subsections (c) to (e), inclusive, of section 16-244c-13 of the Regulations of Connecticut State Agencies.

(d) For each customer on back-up service, the electric distribution company responsible for customer billing shall provide the following information with each such customer's bill:

(1) The date the customer was placed on back-up service and the rate of such back-up service, both shown as separate line items and in bold print on the customer's bill; and

(2) The terms and conditions of the back-up service as a bill insert.

(Adopted effective November 2, 1999)

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Code of Conduct For Electric Distribution Companies

Sec. 16-244h-1. Definitions

As used in Section 16-244h-1 to Section 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies:

(1) “Customer” means any person, as defined in Section 16-1 of the Connecticut General Statutes, that is the ultimate consumer of electric generation services, electric transmission services or electric distribution services, and any municipality that purchases electric generation services, electric transmission services or electric distribution services from an electric distribution company for its own end use;

(2) “Customer Information” means customer-specific information which the electric distribution company or its predecessor electric company acquired or developed in the course of providing electric distribution services and includes, but is not limited to, information that relates to the quantity, time of use, type and destination of electric service, information contained in electric service bills and other data specific to an electric distribution company customer;

(3) “Department” means the department of public utility control or its succeeding state regulatory body;

(4) “Electric distribution company” means “electric distribution company” as defined in section 16-1 of the Connecticut General Statutes;

(5) “Electric supplier” means “electric supplier” as defined in section 16-1 of the Connecticut General Statutes;

(6) “Embedded Cost” means the direct cost of goods or services plus all applicable indirect charges and overheads;

(7) “FERC” means the Federal Energy Regulatory Commission;

(8) “Generation entity or affiliate” means “generation entity or affiliate” as defined in section 16-1 of the Connecticut General Statutes; and

(9) “Municipality” means any town, city, or borough, or other political subdivision of the state.

(Adopted effective July 1, 1999)

Sec. 16-244h-2. Applicability

(a) Sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies shall apply to electric distribution companies subject to regulation by the department, their generation entities or affiliates, and all electric distribution company interactions with generation entities or affiliates. Sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies shall not apply to any department-regulated subsidiary of an electric distribution company, the revenues and expenses of which are subject to regulation by the department and are included by the department in establishing rates for the electric distribution company. However, sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies shall apply to all interactions any regulated subsidiary has with other generation entities or affiliates covered by those sections.

(b) Nothing in sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies shall prohibit communications between an electric distribution company and its generation entities or affiliates necessary to:

(1) Provide standard offer service pursuant to section 16-244c of the Connecticut General Statutes;

(2) Restore service or to prevent or respond to emergency conditions;

(3) Provide electric generation services to any customer who does not or is unable to arrange for or maintain electric generation services with an electric supplier; or

(4) Provide electric generation services to any customer who has entered into a service contract with an electric supplier that fails to provide electric generation services for reasons other than the customer's failure to pay for such services.

(c) An electric distribution company shall not utilize communications necessary under subsection (b) of this section to circumvent sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies.

(Adopted effective July 1, 1999)

Sec. 16-244h-3. Nondiscrimination

(a) No Preferential Treatment Regarding Services Provided by the Electric Distribution Company: Unless otherwise authorized by the department or the FERC, or permitted by sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies, an electric distribution company shall not:

(1) Provide its generation entities or affiliates, or customers of its generation entities or affiliates, any preference (including but not limited to terms and conditions, pricing, or timing) over unaffiliated electric suppliers or their customers in the provision of services provided by the electric distribution company, or allow an employee, officer, director or agent of a generating entity or affiliate preferential access to information concerning the electric distribution company's customers or distribution system that is not available on an equivalent basis to unaffiliated electric suppliers; or

(2) Allow an employee, officer, director or agent of a generating entity or affiliate to conduct distribution system operations or have access to system control centers or similar facilities used by distribution operations in any way that differs from the access available to employees of unaffiliated electric suppliers.

(b) Affiliate Transactions:

(1) Pricing, terms and conditions: Except joint purchases and corporate support services permitted in sections 16-244h-5(e) and 16-244h-5(f), transactions between an electric distribution company and its generation entities or affiliates shall be limited to:

(A) Products and services offered by tariff; and

(B) Goods, property, products or services sold by the electric distribution company to its generation entities or affiliates and made available to all electric suppliers under the same terms and conditions. Such goods, property, products or services shall be priced pursuant to the provisions of section 16-244h-5(i) of the Regulations of Connecticut State Agencies. An electric distribution company shall post information concerning non-tariffed transactions with its generation entities or affiliates on its affiliate discount internet web page in accordance with subsection (f) of this section.

(2) Provision of Transmission Services, Distribution Services or Information: An electric distribution company shall provide all electric suppliers access to its transmission and distribution facilities in a nondiscriminatory manner. If an electric distribution company offers supply, capacity, services or information to its generation entities or affiliates, it shall contemporaneously make the offering available to all electric suppliers, except that communications referenced in section 16-244h-2(b) of the Regulations of Connecticut State Agencies need not be made contemporaneously available. All information concerning an electric distribution company's customers, the distribution system or other market information that is provided to a generation entity or affiliate through nonpublic communications, including communications referenced in section 16-244h-2(b) of the Regulations of Connecticut State Agencies, shall be provided to all electric suppliers in a nondiscriminatory manner and on the same terms and conditions.

(3) **Offering of Discounts:** If an electric distribution company offers a discount or waives all or any part of any other charge or fee to its generation entities or affiliates, or offers a discount or waiver for a transaction in which its generation entities or affiliates are involved, the electric distribution company shall contemporaneously make such discount or waiver available to all electric suppliers serving the same market. An electric distribution company shall not create a unique discount arrangement with its generation entities or affiliates such that no competitor could be considered as serving the same market. All electric suppliers serving the same market as the generation entities or affiliates shall be offered the same discount as the discount received by the generation entities or affiliates. An electric distribution company shall document the cost differential underlying the discount to its generation entities or affiliates in the affiliate discount report described in subsection (f) of this section.

(4) **Tariff Discretion:** If a tariff provision allows for discretion in its application, an electric distribution company and its employees shall apply that tariff provision in the same manner to its generation entities or affiliates and all other electric suppliers and their respective customers.

(5) **No Tariff Discretion:** If an electric distribution company has no discretion in the application of a tariff provision, the electric distribution company and its employees shall strictly enforce that tariff provision.

(6) **Processing Requests for Services Provided by the Electric Distribution Company:** An electric distribution company shall process requests for similar services provided by the electric distribution company in the same manner and within the same time for its generation entities or affiliates and for all other electric suppliers and their respective customers, and shall not give preference of any kind to its generation entities or affiliates or their customers.

(c) **Tying of Services Provided by an Electric Distribution Company Prohibited:** An electric distribution company shall not condition or otherwise tie the provision of any services provided by the electric distribution company, nor the availability of discounts of rates or other charges or fees, rebates, or waivers of terms and conditions of any services provided by the electric distribution company, to the purchasing of any goods or services from its generation entities or affiliates.

(d) **No Assignment of Customers:** An electric distribution company shall not assign customers to which it provides services to any of its generation entities or affiliates, whether by default, direct assignment, option or by any other means, unless that means is equally available to all competitors and approved by the department.

(e) **Business Development and Customer Relations:** Except as otherwise provided by sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies, an electric distribution company shall not:

- (1) Solicit business on behalf of its generation entities or affiliates;
- (2) Acquire information on behalf of, or to provide to, its generation entities or affiliates;
- (3) Request authorization from its customers to pass on customer information exclusively to its generation entities or affiliates;
- (4) Give the appearance that the electric distribution company speaks on behalf of or represents its generation entities or affiliates or that the customer will receive preferential treatment as a consequence of conducting business with the generation entities or affiliates;
- (5) Give any appearance that the generation entities or affiliates speak on behalf of or represent the electric distribution company; or

(6) Provide referrals to its generation entities or affiliates.

(f) Affiliate Discount Reports:

(1) Each electric distribution company shall maintain a list of any discount, rebate or other waiver of any charge, fee, term or condition associated with services provided by the electric distribution company to its generation entities or affiliates on an internet web page directly and conspicuously linked to its home page. If an electric distribution company provides its generation entities or affiliates a discount, rebate, or other waiver of any charge or fee associated with services provided by the electric distribution company, the electric distribution company shall, within 24 hours of the time at which the service provided by the electric distribution company is so provided, post either directly on the discount page or on a page directly linked to the discount page a notice providing the following information:

(A) The name of the generation entities or affiliate involved in the transaction;

(B) The generation entity or affiliate's role in the transaction (i.e., aggregator, electric supplier, marketer);

(C) The rate charged;

(D) The maximum rate;

(E) The time period for which the discount or waiver applies;

(F) The quantities involved in the transaction;

(G) The delivery points involved in the transaction;

(H) Any conditions or requirements applicable to the discount or waiver, and a documentation of the cost differential underlying the discount as required in subdivision (3) of subsection (b) of this section; and

(I) Procedures by which an unaffiliated entity may request a comparable offer.

(2) The affiliate discount page and associated pages shall provide the following disclaimer: "This page is intended to provide notice to all electric suppliers of any discount provided by an electric distribution company to its own electric supplier affiliate so that all electric suppliers may avail themselves of any such discount. It is not intended to indicate that an electric distribution company's electric supplier affiliate has preferential access to services."

(3) An electric distribution company shall maintain all records associated with transactions to which subdivision (1) of this subsection applies in accordance with the provisions of section 16-244h-4(f) of the Regulations of Connecticut State Agencies.

(Adopted effective July 1, 1999)

Sec. 16-244h-4. Disclosure and information

(a) Customer-Specific Information:

(1) Unless the electric distribution company has received a form from a customer requesting that the customer's name, address, telephone number and rate class not be released, the electric distribution company may release such information to its generation entities or affiliates without customer consent, so long as such information is released only on a strictly non-discriminatory basis pursuant to the provisions of section 16-245o(d) of the Connecticut General Statutes. Customer consent is not required for an electric distribution company to provide load data concerning existing customers of its generation entities or affiliates necessary for customer billing and load reporting to the regional independent system operator, as that term is defined in section 16-1 of the Connecticut General Statutes.

(2) An electric distribution company shall receive prior affirmative written customer consent before releasing any customer information not referenced in subdivision (1) of this subsection. If an electric distribution company releases customer specific information not referenced in subdivision (1) of this subsection to its

generation entity or affiliate, it shall make similar customer specific information available to other electric suppliers on a strictly non-discriminatory basis and on the same terms and conditions.

(3) If an electric distribution company releases customer information to its generation entities or affiliates for which no tariff or standard fee applies, within 24 hours of the time at which an electric distribution company releases such customer information, the electric distribution company shall post, either directly on or directly linked to the discount page required pursuant to section 16-244h-3(f) of the Regulations of Connecticut State Agencies, a notice providing the terms and conditions of such release of information. The notice shall include, but is not limited to:

- (A) The name of the generation entity or affiliate receiving the information;
- (B) The number of names provided;
- (C) The type of information provided (e.g., customer specific load profiles);
- (D) The price charged to the generation entity or affiliate; and
- (E) The electronic form in which the information was provided.

(b) **Non-Customer Specific Non-Public Information:** An electric distribution company shall make non-customer specific non-public information, including but not limited to information about an electric distribution company's electricity purchases, sales, or operations or about its electricity-related goods or services, available to its generating entities or affiliates only if the electric distribution company makes that information contemporaneously available to all other service providers on the same terms and conditions, and keeps the information open to public inspection. Unless otherwise provided by sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies, an electric distribution company continues to be bound by all department-adopted pricing and reporting guidelines for such transactions. Electric distribution companies are also permitted to exchange proprietary information on an exclusive basis with their generation entities or affiliates, provided the exchange of such proprietary information is necessary in the provision of corporate support services permitted by section 16-244h-5(f) of the Regulations of Connecticut State Agencies and the electric distribution company follows all department-adopted pricing and reporting guidelines for such transactions. The generating entity or affiliate's use of such proprietary information is limited to use in conjunction with the permitted corporate support services, and is not permitted for any other use.

(c) **Affiliate-Related Advice or Assistance:** Except as otherwise provided in sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies, an electric distribution company shall not provide customers advice or assistance with regard to its generation entities or affiliates or other electric suppliers, and shall not refer customers to its generation entities or affiliates.

(d) **Electric Supplier Lists:**

(1) Except upon request by a customer or as otherwise authorized by the department, an electric distribution company shall not provide its customers with any list of electric suppliers, which includes or identifies the generation entities or affiliates, regardless of whether such list also includes or identifies the names of unaffiliated entities.

(2) If a customer requests information about any electric supplier, the electric distribution company shall provide the list of electric suppliers maintained by the department pursuant to section 16-245p of the Connecticut General Statutes.

(e) **Electric Supplier Information:** An electric distribution company shall not provide non-public information and data which has been received from unaffiliated electric suppliers to its generation entities or affiliates.

(f) **Record-Keeping:** An electric distribution company shall maintain contemporaneous records documenting all tariffed and nontariffed transactions with its generation entities or affiliates, including but not limited to, all waivers of tariff or contract provisions and all discounts. The records shall reflect, at a minimum, the name of the other party to the transaction, a description of the transaction, the time period over which the transaction applies, and the terms and conditions of the transaction. An electric distribution company shall maintain such records for a minimum of three years and longer if the department or another government agency so requires. The electric distribution company shall make such records available for review by the department or an electric supplier upon 72 hours' notice, or at a time mutually agreeable to the electric distribution company and the department or electric supplier. All records maintained pursuant to this section shall also conform to FERC regulations where applicable.

(g) **Maintenance of Affiliate Contracts and Related Bids:** An electric distribution company shall maintain a record of all contracts and related bids for the provision of work, products or services to and from the electric distribution company to its generation entities or affiliates for no less than a period of three years, and longer if the department or another government agency so requires.

(Adopted effective July 1, 1999)

Sec. 16-244h-5. Separation

(a) **Corporate Entities:** An electric distribution company and its generation entities or affiliates shall be legally separate corporate entities, except that a generation entity or affiliate to which generation assets are transferred pursuant to section 16-244e(a)(3) of the Connecticut General Statutes may, if required to comply with rules, regulations or licensing requirements of the United States Nuclear Regulatory Commission, be a division that is structurally separate from the electric distribution company.

(b) **Books and Records:** An electric distribution company and its generation entities or affiliates shall keep separate books and records.

(1) Electric distribution company books and records shall be recorded in accordance with applicable Uniform System of Accounts (USOA) and Generally Accepted Accounting Procedures (GAAP).

(2) The books and records of generation entities or affiliates, including vouchers, memoranda, documents, letters, contracts or other papers, shall be open for examination by the department and its staff with respect to transactions between the holding company and generation entities or affiliates and transactions between the electric distribution company and generation entities or affiliates. In any enforcement proceeding held pursuant to section 16-244h-7 of the Regulations of Connecticut State Agencies, the department may summon and examine under oath such witnesses as it deems advisable, and cause to be produced such books, records, vouchers, memoranda, documents, letters, contracts or other papers as it deems advisable.

(c) **Electric Distribution Company Audit:** No later than July 1, 2000, and every year thereafter, each electric distribution company shall have audits prepared by independent auditors that verify that the electric distribution company is in compliance with sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies. Each electric distribution company shall file this audit with the department beginning no later than July 1, 2000. The audits shall be at shareholder expense.

(d) **Sharing of Plant, Facilities, Equipment or Costs:** An electric distribution company shall not share office space, office equipment, services, or systems with

its generation entities or affiliates, nor shall an electric distribution company access the computer or information systems of its generation entities or affiliates or allow its generation entities or affiliates to access its computer or information systems, except to the extent appropriate to perform shared corporate support functions permitted under subsection (f) of this section. Physical separation required by this subsection shall, at a minimum, be accomplished preferably by occupying separate floors of an office building, or, in the alternative, distinct wings.

(e) **Joint Purchases:** To the extent not precluded by any other regulation, an electric distribution company and its generation entities or affiliates may make joint purchases of goods and services, but not those associated with the delivery of electric distribution services, electric transmission services or electric generation services, as those terms are defined in Section 16-1 of the Connecticut General Statutes. Examples of permissible joint purchases include joint purchases of general office supplies and telephone services. Examples of joint purchases not permitted include electric purchasing for resale, purchasing of electric transmission, systems operations, and marketing. The electric distribution company shall ensure that all joint purchases are priced, reported, and conducted in a manner that permits clear identification of the electric distribution company and generation entity or affiliate portions of such purchases, and in accordance with applicable department allocation and reporting rules.

(f) **Corporate Support:**

(1) An electric distribution company, its parent holding company, or a separate affiliate created solely to perform corporate support services may share with its generation entities or affiliates joint corporate oversight, governance, support systems and personnel. Any shared corporate support shall be priced, reported and conducted in accordance with the separation and information standards set forth in sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies, as well as other applicable department pricing and reporting requirements.

(2) Such shared corporate support shall not allow or provide a means for the transfer of confidential information such as customer information or noncustomer specific non-public information from the electric distribution company to the affiliate, create the opportunity for preferential treatment or unfair competitive advantage, lead to customer confusion, or create opportunities for cross-subsidization of generation entities or affiliates. In the compliance plan submitted pursuant to section 16-244h-7 of the Regulations of Connecticut State Agencies, a corporate officer from the electric distribution company and holding company shall verify the adequacy of the specific mechanisms and procedures in place to ensure the electric distribution company follows the mandates of this subsection, and to ensure the electric distribution company is not utilizing shared corporate support services as a means to circumvent sections 16-244h-1 to 16-244h-7, inclusive of the Regulations of Connecticut State Agencies.

(3) Examples of services that may be shared include, but are not limited to: payroll, taxes, shareholder services, insurance, financial reporting, corporate financial planning and analysis, corporate accounting, corporate security, human resources (compensation, benefits, employment policies), employee records, regulatory affairs, lobbying, legal, and pension management. Examples of services that may not be shared include: employee recruiting, engineering, hedging and financial derivatives and arbitrage services, electric purchasing for resale, purchasing of electric transmission, system operations and marketing.

(g) **Corporate Identification and Advertising:**

(1) An electric distribution company shall not trade upon, promote, or advertise its generation entity or affiliate's affiliation with the electric distribution company, nor allow the electric distribution company name or logo to be used by the generation entity or affiliate in any advertisement or in any material circulated by the generation entity or affiliate, unless it discloses in plain legible or audible language, on the first page or at the first point where the electric distribution company's name or logo appears that:

(A) The generation entity or affiliate "is not the same company as [i.e. The Connecticut Light and Power Company, The United Illuminating Company], the electric distribution company,"; and

(B) "You do not have to buy [the generation entity or affiliate's] products in order to continue to receive quality regulated services from the electric distribution company."

The application of the name/logo disclaimer is limited to the use of the name or logo in Connecticut. Any written disclaimer shall be in bold print, and shall not utilize a typeface of less than eight points in size. Compensation for ratemaking purposes for the use of the electric distribution company's logo by a generation entity or affiliate shall be determined by the department in any rate case held pursuant to section 16-19 of the Connecticut General Statutes. The electric distribution company shall record any such use of its logo by its generation entity or affiliate.

(2) An electric distribution company, through action or words, shall not represent that, as a result of the generation entity or affiliate's relationship with the electric distribution company, its generation entity or affiliates will receive any different treatment than other service providers.

(3) An electric distribution company shall not offer or provide to any generation entity or affiliate advertising space in electric distribution company billing envelopes or any other form of written electric distribution company customer communication. The appearance of a generation entity or affiliate's name or logo on a customer bill to indicate the customer's choice of electric supplier shall not be considered trading upon or promoting the generation entity or affiliate's affiliation with the electric distribution company under subdivision (1) of this subsection, and shall not be considered joint advertising or joint marketing prohibited in subdivision (4) of this section. An electric distribution company shall offer each electric supplier the ability to display its name or logo or both on the customer bill, to indicate the customer's choice of electric supplier, under the same terms and conditions as those offered to the electric distribution company's generation entities or affiliates. The appearance of an electric distribution company's logo on a customer bill to indicate the provider of electric distribution services shall not require the disclaimers listed in subdivision (1) of this section.

(4) An electric distribution company shall not participate in joint advertising or joint marketing with its generation entities or affiliates. This prohibition against joint advertising or joint marketing includes, but is not limited to the following:

(A) An electric distribution company shall not participate with its generation entities or affiliates through joint sales calls, through joint call centers or otherwise, or through joint proposals (including responses to requests for proposals) to existing or potential customers. This subparagraph does not prohibit an electric distribution company from participating, on a nondiscriminatory basis, in non-sales meetings with its generation entities or affiliates or any other electric supplier to discuss technical or operational subjects regarding the electric distribution company's provision of transportation service to the customer. An electric distribution company

shall maintain a record of all such meetings that shall include, but is not limited to, the customer's name and customer class, the customer's electric supplier at the time of the meeting, the date of the meeting and a general description of the subject matter discussed. The record of meetings shall be open to inspection by the department and its staff consistent with the provisions of section 16-244h-5(b) of the Regulations of Connecticut State Agencies;

(B) Except as otherwise provided for by sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies, an electric distribution company shall not participate in any joint activity with its generation entities or affiliates. The term "joint activity" includes, but is not limited to, advertising, sales, marketing, communications and correspondence with any existing or potential customer;

(C) An electric distribution company shall not participate with its generation entities or affiliates in trade shows, conferences, or other information or marketing events.

(5) An electric distribution company shall not share or subsidize costs, fees, or payments with its affiliates associated with research and development activities or investment in advanced technology research.

(h) Employees:

(1) Except as permitted in subsection (f) of this section, an electric distribution company and its generation entities or affiliates shall not jointly employ the same employees. This prohibition against joint employees also applies to board of directors and corporate officers, except that if an electric distribution company and its generation entities or affiliates are controlled by a holding company, any board member or corporate officer may serve on the holding company and with either the electric distribution company or its generation entities or affiliates, but not both. In the case of shared directors and officers, a corporate officer from the electric distribution company and holding company shall verify in the electric distribution company's compliance plan submitted pursuant to section 16-244h-7 of the Regulations of Connecticut State Agencies the adequacy of the specific mechanisms and procedures in place to ensure that the electric distribution company is not utilizing shared officers and directors as a means to circumvent sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies.

(2) All employee transfers between an electric distribution company and its generation entities or affiliates shall be consistent with the following provisions:

(A) An electric distribution company shall track and report to the department all employee transfers between the electric distribution company and generation entities or affiliates. The electric distribution company shall report this information to the department no later than July 1, 2000 and annually thereafter.

(B) Once an employee of an electric distribution company becomes an employee of a generation entity or affiliate, the employee shall not return to the electric distribution company for a period of one year. This prohibition is inapplicable if the generation entity or affiliate to which the employee transfers no longer transacts business in this state during the one-year period. In the event that an employee returns to the electric distribution company, such employee shall not be retransferred, reassigned, or otherwise employed by a generation entity or affiliate for a period of two years. An employee that is hired by the generation entity or affiliate and becomes an employee of the electric distribution company shall not be retransferred, reassigned, or otherwise employed by a generation entity or affiliate for a period of two years. Employees transferring from the electric distribution company to a

generation entity or affiliate are expressly prohibited from using information gained from the electric distribution company in a discriminatory or exclusive fashion, to the benefit of the generation entity or affiliate or to the detriment of unaffiliated electric suppliers.

(C) Any electric distribution company employee hired by a generation entity or affiliate shall not remove or otherwise provide information to the generation entity or affiliate which the generation entity or affiliate would otherwise be precluded from having pursuant to sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies.

(D) An electric distribution company shall not make temporary or intermittent assignments, or rotations of its employees to its generation entities or affiliates.

(E) A transferring employee shall sign a statement attesting that the employee is aware of and understands the restrictions set forth in sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies and the attendant consequences of violations of those sections.

(i) **Transfer Pricing:** To the extent that sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies do not prohibit transfers of goods and services between an electric distribution company and its generation entities or affiliates, all such transfers shall be subject to the following pricing provisions:

(1) Joint or shared costs allowed in subsections (d), (e), and (f) of this section, including plant, facilities, equipment, corporate support services, overhead and supplies shall be allocated and priced to the electric distribution company and its generation entity or affiliate based on actual embedded costs or as otherwise determined by the department.

(2) Goods or services which are price regulated by a state or federal agency shall be priced at the tariffed or regulated rate. In cases where more than one state commission regulates the price of goods or services, this department's pricing provisions shall govern.

(3) An electric distribution company shall pay fair market value for all goods and services produced, purchased or developed by its generation entities or affiliates. The electric distribution company's purchasing practices shall be non-discriminatory and shall result in fair prices to its customers. All transfers from a generation entity or affiliate to its electric distribution company shall be posted on the affiliate discount internet web page referenced in section 16-244h-3(f) of the Regulations of Connecticut State Agencies within 24 hours of the time at which the service provided by the generation entity or affiliate is so provided.

(Adopted effective July 1, 1999)

Sec. 16-244h-6. Generation entity or affiliate relationships

No electric distribution company or generation entity or affiliate shall utilize its business relationships with unaffiliated entities to circumvent the provisions or goals of sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies.

(Adopted effective July 1, 1999)

Sec. 16-244h-7. Compliance plan filing requirements

(a) **Compliance Plans:** No later than October 1, 1999, each electric distribution company shall file with the department, for review and approval, a compliance plan demonstrating to the department that there are adequate procedures in place that will preclude the sharing of information with its generation entities or affiliates that

is prohibited by sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies and further demonstrating that access to its transmission and distribution facilities is provided on a nondiscriminatory basis. The compliance plan shall be in effect from filing but may be modified, as determined by the department. Each electric distribution company shall file a subsequent compliance plan no later than July 1, 2000 and annually thereafter.

(1) In its compliance plan filed pursuant to this subsection, the electric distribution company shall demonstrate both the specific mechanisms and procedures that the electric distribution company and holding company have in place to ensure that the electric distribution company is not utilizing the holding company or any of its affiliates not covered by sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies as a means to circumvent any of those sections. Examples include, but are not limited to, specific mechanisms and procedures to assure the department that the electric distribution company will not use the holding company or another electric distribution company affiliate not covered by sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies as a means to circumvent the purposes and goals of those sections relating to:

- (A) Access of information;
- (B) Provision of services; or
- (C) Access to or employment of electric distribution company employees.

(2) In the compliance plan, a corporate officer from the electric distribution company and holding company shall certify under penalty of false statement the adequacy of these specific mechanisms and procedures to ensure that the electric distribution company is not utilizing the holding company or any of its affiliates not covered by sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies as a means to circumvent any of those sections.

(b) **New Affiliate Compliance Plans:** Upon the creation of a new generation entity or affiliate to which sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies applies, the electric distribution company shall immediately notify the department of the creation of the new generation entity or affiliate, and shall post a notice on its web page. No later than 60 days after the creation of this generation entity or affiliate, the electric distribution company shall file notification with the department. The notification shall demonstrate how the electric distribution company will implement sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies with respect to the new generation entity or affiliate.

(c) **Enforcement Proceedings.** If the department, upon its own motion or upon receipt of a complaint from any person alleging a violation of sections 16-244h-1 to 16-244h-7, inclusive, of the Regulations of Connecticut State Agencies by an electric distribution company or any of its generation entities or affiliates, has reason to believe that a violation has occurred, it shall investigate compliance with such sections. The department shall have the power, after notice and opportunity for hearing, and upon a finding that a violation has occurred, to enter any orders as may be in the public interest to enforce such sections, including cease and desist orders and the assessment of civil penalties. However, civil penalties shall only be assessed in accordance with the procedural requirements of section 16-41 of the Connecticut General Statutes.

(d) **Assessment of Civil Penalties.** In assessing civil penalties pursuant to subsection (c), the department shall take into account, in addition to the nature, extent and gravity of the particular violation:

- (1) The electric distribution company's prior history of violations;
- (2) The "good faith" efforts, if any, of the electric distribution company or generation entity or affiliate to comply with sections 16-244h-1 to 16244h-7, inclusive, of the Regulations of Connecticut State Agencies;
- (3) The nature and degree of economic benefit gained by the electric distribution company or its generation entity or affiliate;
- (4) Deterrence of future violations; and
- (5) Such other factors deemed appropriate and material to the particular circumstances of the violation.

(Adopted effective July 1, 1999)

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Licensing Electric Suppliers

Sec. 16-245-1. Definitions

As used in sections 16-245-1 to 16-245a-2, inclusive, of the Regulations of Connecticut State Agencies:

(1) “Applicant” means any person, as defined in section 16-1 of the Connecticut General Statutes, who applies for a license to become an electric supplier in this state pursuant to section 16-245 of the Connecticut General Statutes, and any municipal electric utility that applies, pursuant to section 16-245c of the Connecticut General Statutes, for a license to provide electric generation services to end use customers outside of its service area using the transmission or distribution system or facilities of an electric distribution company, as defined in section 16-1 of the Connecticut General Statutes.

(2) “Class I Renewable Energy Source” means “Class I Renewable Energy Source” as defined in section 16-1 of the Connecticut General Statutes;

(3) “Class II Renewable Energy Source” means “Class II Renewable Energy Source” as defined in section 16-1 of the Connecticut General Statutes;

(4) “Department” means the Department of Public Utility Control or its successor;

(5) “Electric distribution company” means “electric distribution company” as defined in section 16-1 of the Connecticut General Statutes;

(6) “Electric supplier” means “electric supplier” as defined in section 16-1 of the Connecticut General Statutes;

(7) “ISO” means ISO – New England, Inc. and includes any successor organization thereto;

(8) “Municipal electric utility” means a municipal electric utility established under chapter 101 of the Connecticut General Statutes or any other electric utility owned, leased, maintained, operated, managed or controlled by any unit of local government under any general statute or any public or special act;

(9) “NEPOOL” means the New England Power Pool and includes any successor organization thereto;

(10) “NEPOOL GIS” means the generation information system and associated operating rules that govern the tracking of generation attributes, as approved by NEPOOL, and as amended from time to time;

(11) “Participating municipal electric utility” means participating municipal electric utility as defined in section 16-1 of the Connecticut General Statutes; and

(12) “Security” means a bond, letter of credit, guarantee, or other appropriate financial instrument from a creditworthy financial institution.

(Adopted effective April 6, 1999; amended December 29, 1999, October 7, 2004; August 11, 2005)

Sec. 16-245-2. Scope of license. Application filing requirements. Periodic review

(a) At the discretion of the department, the scope of any license may be restricted to the provision of service to a geographic area, the provision of service to a particular type of customer, a method of operation (e.g., generator, broker, marketer), or the services it offers (e.g., energy services, backup services). The scope of a license may be restricted based on the department’s assessment of the technical, managerial and financial capability of the applicant and the scope of service plan submitted by the applicant.

(b) Except as provided in subsection (e) of this section, an application for a license to become an electric supplier or participating municipal electric utility

shall include a completed form prescribed by the department and shall include the following items:

(1) An application fee in the amount of \$ 1,000 made payable to the Treasurer of the State of Connecticut;

(2) A scope of service plan which sets forth a description of the geographic area the applicant plans to serve, the type of customers to be served, a description of the applicant's proposed operations (e.g., generator and supplier of electric generation services; broker or marketer and supplier of electric generation services; or aggregator and supplier of electric generation services), and the services it plans to offer (e.g., energy services, backup services);

(3) Documentation demonstrating the applicant's technical, managerial and financial capability to provide electric generation services;

(4) The applicant's legal name, a description of the applicant's form of ownership, and the name of the state or jurisdiction where the applicant is organized or formed;

(5) The applicant's endorsed certificate of incorporation certified by the Connecticut Secretary of the State, a copy of the applicant's certificate of existence, a copy of the applicant's certificate of good standing, or other business registration on file with the Connecticut Secretary of the State; unless the applicant is a municipal electric utility, in which case the applicant shall include the municipality's authorization to apply to become a participating municipal electric utility, which may include, but shall not be limited to, a resolution from its board of electrical commissioners, board of gas and electrical commissioners or town council;

(6) The address of the applicant's headquarters, the articles of incorporation filed with the state or jurisdiction in which the applicant is incorporated, and any bylaws and amendments thereto;

(7) The name, business address and title of each officer and director, partner, or other similar officer, unless the applicant is a municipal electric utility, in which case the applicant shall include the name and business address of the manager, superintendent or other designated person in charge of electric generation services, as defined in section 16-1 of the Connecticut General Statutes, and the name and business address of each member of its board of electrical commissioners or board of gas and electrical commissioners appointed pursuant to section 7-216 of the Connecticut General Statutes;

(8) The address of the applicant's principal office in this state, if any, or the address of the applicant's agent for service in this state. The application shall also include the name, address, telephone number, facsimile machine number and e-mail address of the applicant's contact person for regulatory matters;

(9) Information about the applicant's corporate structure, including names and financial statements, as appropriate, concerning corporate affiliates. If the applicant is a holding company or the subsidiary of a holding company, a graphical depiction of the organization shall also be provided;

(10) A summary of any history of bankruptcy, dissolution, merger or acquisition of the applicant in the two calendar years immediately preceding the application;

(11) An exhibit indicating whether the applicant or any of the applicant's corporate affiliates or officers have been or are currently under investigation, either in this state or in another state or jurisdiction for violation of any consumer protection law or regulation, and whether the applicant or any of the applicant's corporate affiliates or officers have been fined, sanctioned or otherwise penalized either in this state or in another state or jurisdiction for violation of any consumer protection law or regulation;

(12) The applicant's toll-free telephone number for customer service and address for customer complaints;

(13) A copy of the applicant's standard service contract;

(14) Unless addressed in the applicant's standard service contract, the applicant's customer service plan, which shall consist of the applicant's customer security deposit procedures and requirements, customer complaint handling and dispute resolution procedures, customer termination procedures, customer rights and responsibilities and customer information and disclosure procedures;

(15) The applicant's Federal Employer Identification Number;

(16) A declaration that the applicant agrees to cooperate with the department, the ISO, the electric distribution companies and other electric suppliers in the event of an emergency condition that may jeopardize the safety and reliability of electric service in accordance with emergency plans and other procedures as may be determined appropriate by the department;

(17) An attestation that the applicant will not release customer information to any person, as that term is defined in section 16-1 of the Connecticut General Statutes, unless the customer signs a release, the form for which shall be made available by the department. For purposes of this subdivision, "customer information" means customer-specific information which the electric supplier acquired or developed in the course of providing electric generation services and includes, but is not limited to, information that relates to the quantity, time of use, type and destination of electric service, information contained in electric service bills and other data specific to an electric supplier customer;

(18) Documentation demonstrating that the applicant maintains security as required pursuant to section 16-245-4 of the Regulations of Connecticut State Agencies;

(19) If the applicant maintains security in an amount less than \$ 250,000 pursuant to section 16-245-4(a) of the Regulations of Connecticut State Agencies, a twelve month estimate of the applicant's gross receipts from the sale of electric generation services in Connecticut;

(20) A twelve month estimate of the expected total electric generation load to be served in Connecticut by the applicant;

(21) If the applicant is a publicly owned company, a copy of the applicant's two most recent annual reports to stockholders, annual returns or summary financial statements, including filings made with the securities and exchange commission such as 10-K or 10-Q and 8-K filings and audited financial statements; if the applicant is a privately owned company, a copy of the company's two most recent federal income tax returns;

(22) Information regarding the status of the applicant's operations in other states, including any decisions or orders granting or denying the applicant authority to sell electricity in another state; and

(23) An affidavit certifying under penalty of false statement that all statements made in the application are true and complete.

(c) An application to expand the scope of an electric supplier's license shall include the information required in subsections (b)(2) and (b)(3), and subsections (b)(18) to (b)(23), inclusive.

(d) An applicant shall amend its application while the application is pending if substantial changes occur regarding the information provided in the application within ten days of any such change.

(e) Subsections (b)(6), (b)(9), (b)(10), and (b)(21) of this section shall not apply to any applicant to become a participating municipal electric utility.

(f) Any license to supply electricity in this state shall be subject to a periodic review which shall occur every five (5) years after the date on which the license was issued or was last reviewed. Not less than forty-five (45) days before the five year anniversary of the date on which the license was issued or was last reviewed, an electric supplier shall file with the department a review application, which shall include the following:

(1) A fee in the amount of \$ 250 made payable to the Treasurer of the State of Connecticut.

(2) Information required in subsections (b)(6), (b)(9), (b)(10), and (b)(21) of this section; and

(3) An update of any information previously filed pursuant to subsection (b) of this section that has changed since the date on which the license was issued or was last reviewed.

(g) An electric supplier shall:

(1) Maintain all records of customer complaints for a minimum of three (3) years from the date of complaint;

(2) Make customer complaint records available to the department upon its request;

(3) Cooperate with the department in its investigations of consumer complaints and comply with any resulting orders; and

(4) Notify the department within ten days of any changes to the regulatory contact information and customer service plan filed pursuant to subsections (b)(8) and (b)(14) of this section.

(Adopted effective April 6, 1999; amended June 9, 1999, December 29, 1999, October 7, 2004)

Sec. 16-245-3. Post-licensing requirements

(a) In addition to the conditions described in subsection (g) of section 16-245 of the Connecticut General Statutes, it shall be a condition of continuing licensure for an electric supplier to provide:

(1) Any and all information requested by the department for the purpose of compiling quarterly disclosure reports required pursuant to section 16-245p of the Connecticut General Statutes;

(2) Any and all information requested by the department in its implementation of section 16-245x of the Connecticut General Statutes; and

(3) Any and all information that the electric supplier is required to provide pursuant to section 16-245(b) of the Connecticut General Statutes.

(b) Not less than twenty (20) days before an electric supplier executes its first contract for the sale of electric generation services to an end user, the electric supplier shall file with the department an affidavit attesting to the electric supplier's capability to exchange data necessary for the establishment and maintenance of a customer's account with the electric distribution company or companies serving the area or areas the electric supplier intends to serve. The affidavit shall attest to the successful completion of a "test run" between the electric supplier's computer systems and the electric distribution company's or companies' computer systems. The electric supplier shall serve such affidavit on the electric distribution company or companies serving the area or areas the electric supplier intends to serve. For purposes of this subdivision, "test run" shall mean an exchange of data necessary to establish and maintain a customer's account, including, but not limited to, account administration, usage and billing, and payments and adjustments. The affidavit shall create a rebuttable presumption that the electric supplier is capable of electronically

exchanging data necessary for the establishment and maintenance of a customer's account with the electric distribution company or companies serving the area or areas the electric supplier intends to serve.

(c) Not later than October 15 of each year, an electric supplier shall submit to the department the following information:

(1) If the supplier has elected to maintain security based on a percentage of its gross receipts, the amount of the electric supplier's gross receipts from the sale of electric generation services in the previous twelve months;

(2) An estimate of the expected electric generation load to be served by the electric supplier in the next twelve months; and

(3) an affidavit attesting that the electric supplier is subject to chapters 208, 212, 212a and 219 of the Connecticut General Statutes, as applicable, and shall pay all taxes that it is subject to in this state.

(d) For purposes of this subsection, "aggregated customer" shall mean a customer who is gathered by an electric aggregator, as defined in section 16-1 of the Connecticut General Statutes, for the purchase of electric generation services from an electric supplier. Not more than sixty days (60) after an aggregated customer contracts with an electric supplier, and not more than sixty days after any renewal, extension or modification of such contract, the electric aggregator shall issue to the aggregated customer a notice containing the following information:

(1) The name, address and toll-free customer service telephone number of the electric supplier that provides electric generation services under its aggregation offer; and

(2) The rate for electric generation services stated in its aggregation offer, or a description of how electric generation services are charged to customers under its aggregation offer.

(Adopted effective June 9, 1999; amended October 7, 2004)

Sec. 16-245-4. Security

(a) An electric supplier shall maintain security in an amount that will ensure its financial responsibility and its supply of electricity to end use customers in accordance with contracts, agreements or arrangements. An electric supplier may elect to maintain security in the amount of \$250,000 or five per cent of its estimated gross receipts for its first full year of operation. Such security shall name the department as obligee. Failure to pay the full amount of taxes or assessments due, or failure to supply electricity or other services in accordance with contracts, agreements, or arrangements may cause payments to be made under the security.

(b) Security based on an electric supplier's gross receipts shall be subject to annual adjustment. The department may require an increase in the amount of the security if the electric supplier's annual gross receipts increase more than ten percent from the gross receipts amount previously used by the department to determine the level of security required, except in no event shall the department require security in excess of \$250,000.

(c) An electric supplier that petitions the department to expand the authority granted in its license shall maintain security in an amount that will ensure its financial responsibility and its supply of electricity to end use customers in accordance with contracts, agreements or arrangements, and may elect to maintain security in the amount of \$250,000 or five per cent of the electric supplier's estimated gross receipts for its first full year of expanded operation. The security shall be subject to annual adjustment by the department pursuant to subsection (b) of this section.

(Adopted effective April 6, 1999)

Sec. 16-245-5.

Repealed, October 7, 2004.

Sec. 16-245-6. Enforcement

In determining the appropriate sanction for violation of any licensing requirement, the department shall consider the following:

- (1) The appropriateness of the sanction or fine to the size of the business of the person charged;
- (2) The gravity of the violation;
- (3) The number of past violations by the person charged;
- (4) The good faith effort to achieve compliance;
- (5) The proposed programs and procedures to ensure compliance in the future; and
- (6) Such other factors deemed appropriate and material to the particular circumstances of the violation.

(Adopted effective April 6, 1999)

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Administration of Renewable Energy Portfolio Requirements

Sec. 16-245a-1. Reporting requirement. Operating rules. Renewable energy portfolio deficiencies

(a) **Annual Reporting Requirement.** Each electric distribution company and each electric supplier shall submit an annual report demonstrating its compliance with the renewable energy portfolio standard requirements set forth in sections 16-245a and 16-243q of the Connecticut General Statutes. The report shall indicate the percent of total electricity output or services generated from Class I and Class II renewable energy sources and obtained from Class III sources during the previous calendar year. Said report shall include all supporting calculations. The annual compliance report for each calendar year shall be submitted not later than October 15 of the following year.

(b) **Operating Rules.** Certificates for renewable energy power generated within NEPOOL shall be accounted for in accordance with the current operating rules of the NEPOOL GIS.

(c) **Required Documentation.** The annual report submitted pursuant to subsection (a) shall be based exclusively on certificates issued by the NEPOOL GIS, and shall include copies of all quarterly and annual reports issued to the electric distribution company or electric supplier by the NEPOOL GIS during the compliance period.

(d) **Renewable Energy Portfolio Deficiencies.** An electric distribution company or electric supplier that seeks to make up any renewable energy portfolio deficiency within the first three months of the succeeding calendar year shall specifically indicate the amount of renewable energy sources or attributes used within the first three months of the succeeding year to make up the previous year's deficiency. To ensure that such energy sources or attributes are not used to comply with the portfolio requirements of the succeeding calendar year, the electric distribution company or electric supplier's annual report for the succeeding year shall include a calculation, supported by quarterly and annual reports issued by the NEPOOL GIS, demonstrating that such energy sources or attributes are not used to comply with the succeeding calendar year's portfolio requirements.

(e) **Banking of Renewable Energy Certificates.** An electric distribution company or electric supplier may bank Class I, Class II and Class III renewable energy certificates generated in one year to comply with the renewable energy portfolio requirements in either of the two following years, provided the electric distribution company or electric supplier has complied with the renewable energy portfolio requirements each year by means of renewable energy certificates or has made the alternative payment permitted by section 16-245(k), section 16-243q(b) or section 16-243q(d) of the Connecticut General Statutes. In addition, the electric distribution company or electric supplier shall demonstrate to the satisfaction of the Department of Public Utility Control that:

1) The banked renewable energy certificates were in excess of the renewable energy certificates needed for compliance in the year they were generated, and the excess renewable energy certificates have not previously been used for compliance with section 16-245a(a) or section 16-243q(a) of the Connecticut General Statutes;

2) The banked Class I renewable energy certificates do not exceed thirty per cent of the Class I sources needed by the electric distribution company or electric supplier for compliance in the year the certificates were generated;

3) The banked Class II renewable energy certificates do not exceed thirty per cent of the Class II sources needed by the electric distribution company or electric supplier for compliance in the year the certificates were generated;

4) The banked Class III renewable energy certificates do not exceed thirty per cent of the Class III sources needed by the electric distribution company or electric supplier for compliance in the year the certificates were generated; and

5) The banked renewable energy certificates have not otherwise been, nor will be, sold, retired, claimed or represented as part of the total output or services, or used to satisfy obligations in jurisdictions other than Connecticut.

(f) **Renewable Energy Trading Program Emissions Attributes.** Any electric distribution company or electric supplier that seeks to demonstrate renewable energy portfolio standard compliance by participating in a renewable energy trading program shall have exclusive ownership of all renewable energy and environmental attributes from such trading program that are associated with its renewable energy sources.

(Adopted effective October 7, 2004; amended May 2, 2008, December 22, 2009)

Sec. 16-245a-2. Registration of renewable energy electric generating units

(a) **Units located within New England.** The department shall issue registration numbers to electric generation units eligible as Class I or Class II renewable energy sources that have submitted a registration application to the NEPOOL GIS. Such renewable energy electric units shall apply for registration on a form prescribed by the department.

(b) **Facilities located outside New England.** The department shall issue registration numbers to electric generation units eligible as Class I or Class II renewable energy sources located outside NEPOOL as permitted by section 16-245a(a)(2) of the Connecticut General Statutes. Such renewable energy electric generation units shall apply for registration on a form prescribed by the department.

(c) **Facilities subject to emissions limitations.** Each electric generation unit subject to the average nitrogen oxide rate restrictions contained in the definitions of Class I and Class II renewable energy sources shall file with the department within forty-five (45) days of the end of each calendar quarter an affidavit attesting to the unit's average nitrogen oxide emission rate per million BTU of heat input for such quarter. Upon receipt of such information, the department shall notify the applicable generation information system administrator of such unit's eligibility for trading as a renewable energy resource in Connecticut. Failure to file such affidavit may result in the revocation of the renewable energy unit's registration number, rendering energy generated by the unit ineligible for trading as a renewable energy resource in Connecticut.

(d) **Audits.** The department may audit any renewable energy electric generation unit at any time to determine the unit's eligibility as a Class I or Class II renewable energy source.

(e) **Objections to classification.** Any person that objects to the department's classification of an electric generating unit pursuant to this section may request a declaratory ruling from the Department of Public Utility Control pursuant to section 4-176 of the Connecticut General Statutes as to the electric generating unit's eligibility as a Class I or Class II renewable energy source.

(f) **Notification of changed information.** If any of the information provided in a registration application submitted pursuant to this section changes, the department shall be notified of any such changes within 10 days. Failure to notify the department of such changed information within 10 days may result in the revocation of the renewable energy unit's registration number.

(Adopted effective October 7, 2004)

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Municipal Electric Utilities to Become Participating Municipal Electric Utilities

Sec. 16-245c-1. Definitions

(1) “Applicant” means any municipal electric utility that applies for a license to provide electric generation services to end use customers outside of its service area using the transmission or distribution system or facilities of an electric distribution company, as defined in section 16-1 of the Connecticut General Statutes;

(2) “Electric supplier” means “electric supplier” as defined in section 16-1 of the Connecticut General Statutes;

(3) “ISO” means the New England Regional Independent System Operator;

(4) “Municipal electric utility” means a municipal electric utility established under chapter 101 of the Connecticut General Statutes or any other electric utility owned, leased, maintained, operated, managed or controlled by any unit of local government under any general statute or any public or special act;

(5) “Participating municipal electric utility” means “participating municipal electric utility” as defined in section 16-1 of the Connecticut General Statutes;

(6) “Service area” means “service area” as defined in section 16-245c of the Connecticut General Statutes; and

(7) “Stranded costs” means a municipal electric utility’s legitimate, verifiable and unmitigable generation-related costs, as identified and calculated by the municipal electric utility, which costs were made unrecoverable as a result of the municipal electric utility’s entrance into the competitive electric generation market.

(Adopted effective December 29, 1999)

Sec. 16-245c-2. Application to become a participating municipal electric utility

Any application to become a participating municipal electric utility shall consist of the following:

(1) Proof of open and nondiscriminatory access to all distribution facilities the applicant owns or operates by all electric suppliers pursuant to section 16-245c-3 of the Regulations of Connecticut State Agencies;

(2) Proof that the applicant has unbundled and separated all of its generation assets and all generation-related operations and functions pursuant to section 16-245c-4 of the Regulations of Connecticut State Agencies; and

(3) A licensing application filed pursuant to section 16-245-1 to section 16-245-6, inclusive, of the Regulations of Connecticut State Agencies.

(Adopted effective December 29, 1999)

Sec. 16-245c-3. Open and nondiscriminatory access

To demonstrate its capability to provide to all electric suppliers open and nondiscriminatory access to all distribution facilities it owns or operates, an applicant shall submit with its licensing application the following:

(1) All relevant tariffs for the electric transmission and electric distribution services the applicant offers, along with all supporting cost documentation and work papers for such tariffs;

(2) If the applicant proposes to recover stranded costs from customers located within its service area as it existed prior to July 1, 1998, a description of the costs to be recovered, the amount of costs to be recovered, the basis for the determination of those costs, and a description of the rate mechanism through which such costs would be recovered;

(3) Proof of the applicant's ability to coordinate activities with the ISO for purposes of allowing electric suppliers to serve end use customers of the applicant; and

(4) Proof that the applicant's electric distribution services customers are allowed to choose among electric suppliers for electric generation services on an equivalent basis with end use customers of electric distribution companies. To demonstrate such an equivalent choice, an applicant shall submit:

(A) The applicant's billing and metering protocols and any statement of terms and conditions to which electric suppliers would be expected to abide;

(B) The procedures to be used by the applicant to effectuate a change in electric supplier for its electric distribution services customers;

(C) Any municipal ordinances, regulations or bylaws that pertain to the delivery of electric generation services; and

(D) The terms and conditions under which an electric distribution services customer will be allowed to return as an electric generation services customer of the applicant after having chosen another electric supplier.

(Adopted effective December 29, 1999)

Sec. 16-245c-4. Unbundled generation

(a) If the applicant unbundled and separated all of its generation assets and generation-related operations by sale or transfer to an unrelated entity, or by transferring such assets and operations on a functional basis to one or more separate divisions of the applicant, it shall submit with its licensing application the following:

(1) A description of the process used by the applicant to unbundle and separate its generation assets and all generation-related operations and functions;

(2) Evidence that the unbundling and separation occurred, including, as applicable, documentation of sale or transfer to an unrelated entity, or of the transfer on a functional basis to one or more separate divisions, in which case the applicant shall demonstrate how the structural separation implemented safeguards against cross-subsidization, including the applicant's code of conduct established to ensure non-discriminatory access and fair dealing between the municipal electric utility, the separate division to which generation assets and generation-related functions have been transferred, and electric suppliers;

(3) Evidence that the buyer or transferee in any sale or transfer related to unbundling and separation will preserve labor agreements in effect at the time of the sale or transfer; and

(4) Testimony or other evidence supporting the unbundling and separation as meeting the requirements of section 16-245c of the Connecticut General Statutes.

(b) If the applicant unbundled and separated all of its generation assets and generation-related operations by a measure other than sale or transfer to an unrelated entity, or transferral of such assets and operations on a functional basis to one or more separate divisions, it shall submit with its application the following:

(1) Evidence and testimony demonstrating that the unbundling method selected by the applicant was necessary due to the size of the applicant and its existing structure and operations;

(2) Evidence that the unbundling method selected by the applicant will preserve labor agreements in effect at the time of the unbundling; and

(3) The applicant's code of conduct that would protect against cross-subsidization of services and contain reasonable measures to prevent the applicant from favoring its electric generation services over those of an electric supplier.

(Adopted effective December 29, 1999)

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Standard Billing Format for Electric Distribution Companies

Sec. 16-245d-1. Bill components

(a) **Bills issued by an electric distribution company.** Bills issued by an electric distribution company shall contain the following information:

(1) **Payment Information.** Each electric distribution company that is responsible for customer billing shall include the following payment information in each customer's bill:

(A) The payment due date; and

(B) The total amount owed by the customer, separated to show:

(i) Current charges; and

(ii) Any unpaid amounts from previous bills, except that an electric distribution company that bills for electric generation services is required to maintain and show the customer's outstanding electric generation services balances with an electric supplier in only two customer bills after the relationship between the electric supplier and the customer has ended for any reason.

(2) **Electric distribution service charges.** Each electric distribution company shall show electric distribution service charges as follows:

(A) Electric distribution charges, electric transmission charges, non-bypassable federally mandated congestion charges, competitive transition assessment, and the combined systems benefits charge, conservation and load management and renewable energy investment charges, each shown separately and in units of usage and cost per unit of usage, if applicable, with the total of such charges shown in bold print;

(B) All applicable end user taxes;

(C) The present and previous meter reading dates and the present meter reading;

(D) The usage for the current month and each of the previous twelve months in the form of a bar graph or other visual form; and

(E) Such other information as will make possible a recomputation of the electric distribution service charges assessed.

(3) **Electric generation service charges.** Each electric distribution company shall show electric generation service charges as follows:

(A) The charges for electric generation services provided to the customer in the current bill period, in units of usage and charge per unit of usage;

(B) Bypassable federally mandated congestion charges, combined with any surcharges or credits, whether contractually agreed upon between the customer and electric supplier or allowed by the department pursuant to section 16-19b of the Connecticut General Statutes or other applicable law, in units of usage and charge or credit per unit of usage, provided, however, that the bill shall indicate the percentage of such combined charges that is attributable to bypassable federally mandated congestion charges;

(C) The total past due generation service charges;

(D) The total generation service charges in bold print;

(E) The effective generation rate for the current month and each of the previous twelve months, if available, in the form of a bar graph or other visual form. For purposes of this section, "effective generation rate" shall mean the total charges in the current bill period for electric generation services described in subparagraphs (A) and (B) of this subdivision divided by the total kilowatt hours of usage for the bill period. The effective generation rate shall be shown in cents per kilowatt hour and shall be shown in at least hundredths of a cent;

(F) For renewable energy certificate-based alternative transitional standard offer service or alternative standard service, the premium charged in units of usage and charge per unit of usage; and

(G) Such other information as will make possible a recomputation of the electric generation service charges assessed.

(4) Customer Service Information. In addition to the separate bill component charges itemized in this subsection, each electric distribution company responsible for customer billing shall include the following customer service information on each customer's bill on and after January 1, 2000:

(A) The interest rate applicable to any amount unpaid after the due date;

(B) The toll-free number of the electric distribution company to report power outages and for other customer service inquiries;

(C) The toll-free number of the Department of Public Utility Control for questions or unresolved complaints;

(D) The name, toll-free number and address of the electric supplier, if applicable; and

(E) A statement that the Department of Public Utility Control makes available information concerning licensed electric suppliers doing business in Connecticut including information as to rates, charges, terms and conditions, energy sources and customer complaints.

(5) Bill Formats. Not later than forty-five (45) days prior to implementing any changes in its billing format, an electric distribution company shall submit to the Department of Public Utility Control a sample bill illustrating any such proposed changes.

(6) Electric Supplier Change Information. If an electric supplier notifies an electric distribution company of a change in a customer's selection of electric supplier, the electric distribution company shall, no later than forty (40) days after the electric distribution company's receipt of such notification:

(A) Include a message line on the customer's next bill informing the customer of the name, address and toll-free telephone number of the new electric supplier; or

(B) Separately notify the customer in written form of the name, address and toll-free telephone number of the new electric supplier.

(b) Bills issued directly by an electric supplier pursuant to Section 16-244i(c) of the Connecticut General Statutes. Bills issued directly by an electric supplier pursuant to Section 16-244i(c) of the Connecticut General Statutes shall conform with the following:

(1) For purposes of this subsection, the total maximum annual demand threshold set forth in section 16-244i(c) of the Connecticut General Statutes may be met if:

(A) The aggregate total maximum annual demand for each account of a customer meets or exceeds said threshold; or

(B) The total maximum annual demand of least one of the customer's accounts meets or exceeds said threshold.

(2) Payment Information. Each electric supplier that is responsible for customer billing shall include the following payment information in each customer's bill:

(A) The payment due date; and

(B) The total amount owed by the customer, separated to show:

(i) Current charges; and

(ii) Any unpaid amounts from previous bills.

(3) Electric generation service charges. On and after January 1, 2006, each electric supplier that bills for electric generation services shall show electric generation service charges as follows:

(A) The kilowatt hours consumed by the customer in the current bill period;

(B) The effective generation rate for the current month and each of the previous twelve months, if available, in the form of a bar graph or other visual form. For purposes of this section, “effective generation rate” shall mean the total charges in the current bill period for electric generation services divided by the total kilowatt hours of usage for the bill period. The effective generation rate shall be shown in cents per kilowatt hour and shall be shown in at least hundredths of a cent; and

(C) Such other information as will make possible a recomputation of the electric generation service charges assessed.

(4) Customer Service Information. In addition to the separate bill component charges itemized in this subsection, each customer bill issued by an electric supplier shall include the following customer service information on each customer’s bill on and after January 1, 2006:

(A) The name of service plan or applicable contract under which the customer receives electric generation services or a statement instructing the customer to consult the contract under which it takes service for such terms and conditions;

(B) The name, toll-free telephone number and address of the electric supplier;

(C) The toll-free telephone number of the Department of Public Utility Control for questions or unresolved complaints; and

(D) The name of the customer’s electric distribution company to report power outages and for other electric distribution service inquiries.

(Adopted effective May 4, 1999; amended August 23, 2000, August 11, 2005)

Sec. 16-245d-2. Billing relationship between electric distribution company and electric suppliers

(a) For purposes of this section, an electric distribution company shall classify current charges and past due charges in accordance with its rules and regulations filed with the department.

(b) Except as provided in subsection (c), an electric distribution company that bills customers for both electric distribution services and electric generation services shall apply any partial bill payments or late bill payments as follows:

(1) Total past due balances for the competitive transition assessment, the systems benefits charge, applicable end user taxes, the conservation and load management charge, the renewable energy investment charge, electric transmission service, and electric distribution service; then

(2) Total past due balances for electric generation services from present electric suppliers; then

(3) Total past due balances for alternative transitional standard offer or alternative standard service; then

(4) Current charges for the competitive transition assessment, the systems benefits charge, applicable end user taxes, the conservation and load management charge, the renewable energy investment charge, electric transmission service, and electric distribution service; then

(5) Current charges for electric generation services; then

(6) Current charges for alternative transitional standard offer or alternative standard service; then

(7) Total charges for electric generation services from former electric suppliers, in which case the most recent electric suppliers shall be paid first.

(c) Subsection (b) shall not apply to an electric distribution company that assumes all generation services charges by paying electric suppliers at the time the bill is rendered, as approved by the Department of Public Utility Control. In such case,

the electric distribution company shall apply partial bill payments or late bill payments first to all past due balances, then to all current charges.

(d) An electric supplier that bills customers for electric generation services shall apply partial bill payments or late bill payments first to all past due balances, then to all current charges.

(e) The Department of Public Utility Control may waive compliance with subsections (b) to (d), inclusive, of this section upon a showing of a conflict between said subsections and federal or state law regarding the allocation of energy assistance bill payments. Any request for such a waiver shall demonstrate the conflict between said subsections and federal or state law and shall state which customers or payments to which the waiver would apply and a proposed methodology for allocating such payments.

(f) Unless otherwise provided by contract between the electric distribution company and the electric supplier, the electric distribution company shall, no later than thirty (30) days after full or partial receipt of customer payments for the electric generation services component of the bill, send such full or partial payments to the electric supplier.

(g) Following the termination of the relationship between a customer and an electric supplier, unless otherwise provided by contract between the electric distribution company and the electric supplier, an electric distribution company that bills the customer for both electric distribution services and electric generation services may cause the electric supplier to be solely responsible for collecting its balances associated with such customer after the issuance of the second customer bill following the termination of the relationship.

(h) The amount and rate of recovery of reasonable transaction costs that an electric distribution company may recover from electric suppliers for the provision of customer billing services shall be determined by the department, upon application by an electric distribution company, either in a rate proceeding held pursuant to section 16-19 of the Connecticut General Statutes or in another proceeding. An electric distribution company shall, consistent with the provisions of Section 16-19 of the Connecticut General Statutes notify each electric supplier to which it supplies customer billing services of any proposed rate amendment.

(Adopted effective May 4, 1999; amended August 23, 2000, January 28, 2002, August 11, 2005)

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Ancillary Specialized Telecommunications Services

Sec. 16-247c-1.

Repealed, June 3, 1998.

Telecommunications Regulations

Sec. 16-247c-2. Definitions

As used in Sections 16-247c-2 to 16-247c-5, inclusive, of the Regulations of Connecticut State Agencies:

(1) “Telecommunications Company” means any person, firm or corporation certified by the department to provide intrastate telecommunications services pursuant to section 16-247g of the Connecticut General Statutes.

(2) “Customer” means any person or entity who has contracted with a certified telecommunications company for intrastate telecommunications services.

(3) “Complaint” means any allegation of error in billing, disputed charge or claims of discriminatory or unfair practices, procedures or policies made against a certified telecommunications company.

(4) “Facilities-based Provider” means any person, firm or corporation that is certified by the department pursuant to section 16-247g of the General Statutes and owns any of the instrumentalities, facilities, or apparatus, except for customer premises equipment, which are used for the provision of its telecommunications service.

(Effective August 1, 1988; amended June 3, 1998)

Sec. 16-247c-3. Certificate of public convenience and necessity

(a) Any person, firm or corporation may apply to the department for an initial certificate of public convenience and necessity to offer and provide intrastate telecommunications services pursuant to section 16-247g of the Connecticut General Statutes. Any initial application for a certificate of public convenience and necessity shall contain the following information:

(1) Full legal name, principal address and telephone number of the applicant and the applicant’s agent for service;

(2) Each state under which the applicant is organized, the form of organization (person, firm, partnership, association, or corporation) and the date of organization;

(3) Documentation of registration in Connecticut as a foreign corporation, if applicable, and a sworn statement of intent to pay any required corporate or sales taxes;

(4) The name and address of a contact for regulatory and legal matters;

(5) A brief description of any intrastate telecommunications service the applicant intends to offer, including designation of the geographic areas for which authority to serve is sought;

(6) A general description of the facilities of others, if any, to be used in the provision of the proposed intrastate telecommunications services;

(7) A one-year capital construction plan, if seeking certification as a facilities-based provider;

(8) A copy of the applicant’s annual report, annual return or a summary financial statement, including filings made with the securities and exchange commission such as 10-K or 10-Q and 8-K filings and audited financial statements and annual reports;

(9) Information regarding the status of the applicant’s operations in other states, including a list of each state in which the applicant currently provides or is authorized

to provide service and a list of any jurisdictions in which the applicant's application was denied or in which any negative action is pending;

(10) An affidavit listing any sanctions or fines imposed by other jurisdictions;

(11) An exhibit demonstrating the applicant's technical qualifications, which may include information regarding:

(A) Prior business experience, experience in the telecommunications business, and formal training of employees;

(B) FCC operating licenses and approvals; or

(C) The provision of the same or similar services in other jurisdictions, either independently or in conjunction with other telecommunications companies or entities;

(12) The applicant's customer service plan, including security deposit and refund requirements, termination of service policies, late payment charge policies, complaint procedures, and office hours;

(13) A description of the actions taken by the applicant to ensure that new customers affirmatively select the applicant, a description of letters of authorization used to confirm a customer's affirmative selection or other indicia of such a selection, and a description of sales agents' training and supervision;

(14) Proposed tariffs; and

(15) Any other information the department may deem necessary.

(b) Any initial application for a certificate of public convenience and necessity shall also contain a filing fee of \$1000.00. Any applicant may object to the fee as provided in subsection (a) of section 16-247g of the General Statutes.

(c) Objections to any application for a certificate of public convenience and necessity shall be filed in writing with the department no later than fifteen days after submission of a complete application. The department may approve or deny the application after holding a hearing with notice to all interested parties. The hearing shall be conducted in accordance with applicable provisions and standards of Sections 4-176 through 4-182 of the General Statutes (Connecticut Uniform Administrative Procedure Act) and sections 16-1-11 through 16-1-44 of the Regulations of Connecticut State Agencies (Rules of Practice of the Department of Public Utility Control).

(d) (1) A certified telecommunications company may petition the department to expand the authority granted in its certificate of public convenience and necessity to the provision of a previously-authorized service in an additional geographic area or to the provision of a service not previously authorized, or to both.

(2) An initial petition by a certified telecommunications company to expand the authority of its certificate of public convenience and necessity shall include the following information:

(A) A statement of intent, including a description of the services to be provided and the geographic areas to be served;

(B) A one-year capital construction plan, if a facilities-based provider; and

(C) A copy of the company's annual report, annual return or summary financial statement, including filings made with the Securities and Exchange Commission such as 10-K or 10-Q and 8-K filings and audited financial statements and annual reports.

(3) Objections to any initial petition for expanded authority shall be made no later than thirty days after the petition for expansion of authority is filed. The department may, on its own motion or upon receipt of a written petition, order a public hearing on the proposed expansion of authority.

(4) Subsequent petitions by a certified telecommunications company to expand the authority of its certificate of public convenience and necessity shall include the following information:

(A) The tariff filing information required by section 16-247f (e) of the Connecticut General Statutes; and

(B) An amended statement of intent, including a description of the services to be provided and the geographic areas to be served.

(5) Objections to subsequent petitions for expanded authority filed pursuant to subdivision (4) of this subsection shall be made no later than thirty days after the petition for expansion of authority is filed. The department may, on its own motion or upon receipt of a written petition, order a public hearing on the proposed expansion of authority.

(e) The department may, as a precondition to certification or to expansion of authority, require any applicant to:

(1) procure a performance bond sufficient to cover moneys due or to become due to other telecommunications companies for the provision of access to local telecommunications networks, to protect any advances or deposits it may collect from its customers if the department does not order that such advances or deposits be held in escrow or trust, and to otherwise protect customers; or

(2) hold customer deposits or advances in escrow or trust.

(f) No certificate granted herein shall be deemed to grant approval to install, maintain, operate, manage, or control facilities which occupy any public right of way. Approval to utilize the public right of way shall be obtained pursuant to section 16-247c-5 of the Regulations of Connecticut State Agencies.

(g) Applicants may petition the department for a waiver of any requirements in this section upon good cause shown.

(Effective August 1, 1988; amended June 3, 1998)

Sec. 16-247c-4. Post-certification filing requirements and service standards

(a) Any certified telecommunications company shall comply with the following post-certification filing requirements and service standards:

(1) File with the department, on an annual basis, the company's annual financial report, annual return or a summary financial statement.

(2) File with the department current listings of rates and charges for all certified services.

(3) File with the department annual reports on its Connecticut operations within 60 days of the close of its fiscal year. Such annual reports shall describe the status of its Connecticut operations and shall include at a minimum the following information:

(A) The number of customers for each certified service;

(B) A description of physical changes in or additions to existing facilities expected for the next fiscal year and any changed uses of those facilities;

(C) Any changes in the information which was filed with the department in the certification proceeding pursuant to section 16-247c-3 of the Regulations of Connecticut State Agencies.

(4) A corporation which is required to file a Form 10-K with the Securities and Exchange Commission shall provide copies of the Form 10-K and any other informational filings to the department at the time they are filed with the SEC.

(5) Make a prompt and reasonable investigation of each complaint including complaints regarding service requests, whether made in writing, in person, or by telephone.

(6) Provide with each bill to customers a toll-free telephone number and address of the certified telecommunications company to which complaints may be addressed. The accompanying message should include the following sentences: "either initially or upon dissatisfaction with our resolution of your complaint, you may notify the Department of Public Utility Control, Consumer Assistance, 10 Franklin Square, New Britain, CT 06051. The department may also be reached toll-free within Connecticut at 1-800-382-4586 or (860) 827-2622 from out of state." These complaints will be resolved by the department so as to provide a fair and reasonable determination of the dispute and to prevent discretionary, arbitrary or abusive practices by the provider of the service. The department may, upon showing of good cause by the certified provider, exempt one or more of the provider's services from the requirements of this paragraph.

(7) The certified telecommunications company shall issue a receipt to every customer from whom a deposit is received and shall provide means whereby the depositor will be refunded if the receipt is lost. Deposits shall be returned, with accrued interest, when good credit is established. The rate of interest paid by a certified telecommunications company on any security deposit received from a customer for each calendar year shall be not less than the deposit index as defined in section 16-262j (d) of the Connecticut General Statutes for that year and rounded to the nearest one-tenth of one percentage point, except in no event shall the rate be less than one and one-half per cent. The deposit shall cease to draw interest on the date it is returned, on the date that service is terminated, or on the date that notice is sent to the customer's last known address that the deposit is no longer required. A record of each unclaimed deposit and the interest thereon shall be maintained until the funds are paid over to the state treasurer under the escheat provisions of the Connecticut General Statutes.

(b) All certified providers of competitive telecommunications services shall comply with any additional filing requirements and service standards established by the department pursuant to section 3 of Public Act 87-415.

(Effective June 20, 1991; amended June 3, 1998)

Sec. 16-247c-5. Access to the public right of way by certified competitive providers

(a) No certified telecommunications company shall install, maintain, operate, manage or control facilities under or over any public highway or street for the provision of telecommunications service without the approval of the department for each such facility.

(b) Applications for approval to install, maintain, operate, manage or control facilities over or under any public street or highway shall be filed at least 90 days prior to the commencement of construction, and shall include the following information:

- (1) the specific location of the proposed facilities;
- (2) a detailed description of the proposed facilities, including:
 - (A) all applicable National Electric Safety Code design standards and;
 - (B) construction standards;
- (3) the purpose, intended use and need for the proposed facilities;

(4) proposed specifications, plans and procedures to protect the public safety during the construction, operation and maintenance of the proposed facilities.

(c) The department shall grant or deny the application within 60 (sixty) days following receipt of all information required in Secs. 16-247c-5 (b)(1)—16-247c-5c (b)(4).

(d) No certified telecommunications company shall commence any related or additional construction of facilities under or over the public rights of way prior to obtaining approval from the department.

(e) Applicants shall provide any additional information that the department deems necessary to determine whether the proposed facilities meet appropriate design and construction standards and specifications to protect the public safety and implement the purposes of section 16-247h of the Connecticut General Statutes.

(Effective August 1, 1988; amended June 3, 1998)

Sec. 16-247c-6. Contracts for access and wiring between telecommunications providers and owners of occupied buildings

(a) In contracts pertaining to access and wiring between telecommunications providers and owners of occupied buildings, the following terms shall not be included:

(1) Any term that unreasonably restricts the ability of a telecommunications provider to enter an occupied building to restore service to a tenant in the event of a service interruption.

(2) Any term that interferes with the ability of the owner of an occupied building to guarantee building safety and security and which unreasonably interferes with the operation of existing tenants.

(3) Any term that grants an exclusive license to any telecommunications provider.

(4) Any term that precludes any telecommunications provider from negotiating with the owner of an occupied building at a tenant's request pursuant to subsection (c) of section 16-247l of the Connecticut general statutes.

(5) Any term that has the effect, directly or indirectly, of diminishing or interfering with the right of tenants to use or receive telecommunications service from other telecommunications providers.

(6) Any term that discriminates in favor of any one telecommunications service provider with respect to the provision of access or compensation requested.

(b) In contracts pertaining to access and wiring between telecommunications providers and owners of occupied buildings, the following terms may be included:

(1) Any term that requires a telecommunications provider to follow reasonable procedures before entering an occupied building to restore service in the case of a service interruption, such as contacting the occupied building's security officer prior to entering the occupied building.

(2) Any term that reasonably limits the ability of a telecommunications provider to enter an occupied building to install or upgrade service, so long as such limitation(s) are related to building safety and security.

(3) Any term that establishes liquidated damages in the event that a telecommunications provider fails to complete an installation and, after an opportunity to cure, the telecommunications provider fails to remove any and all wiring installed by the provider or otherwise fails to restore the occupied building to its preinstallation condition.

(4) Any term that limits the application or operation of indemnification provisions in situations of gross negligence or willful misconduct on the part of the owner of an occupied building.

(5) Any term that exempts a building owner from liability to telecommunications providers with respect to interruptions in building services, damage to wiring or equipment, or failures of wiring or equipment unless such interruptions, damage or failure result from the gross negligence or willful misconduct of the building owner.

(6) Any term that requires the telecommunications provider to supply the owner of an occupied building with detailed plans and specifications for all wiring, equipment and construction work for approval by owner. The terms of approval shall specify that such approval shall not be unreasonably withheld.

(7) Any term that requires the owner of an occupied building to provide, if reasonably available, building and riser conduit or cabling for the use of the telecommunications provider, at a rate of compensation agreed to by the parties and in compliance with the provisions of subsection (f) 16-247l of the Connecticut general statutes and Section 16-247d-7 of the Regulations of Connecticut State Agencies.

(8) Any term that requires the telecommunications provider to construct additional building and riser conduit, provided that the entire cost of such wiring is assumed by the telecommunications provider pursuant to Subsection (c) 16-247l of the Connecticut general statutes.

(9) Any term that requires, upon voluntary termination of telecommunications service by a tenant, a telecommunications provider to give the owner of the occupied building the opportunity to acquire the wiring at the replacement cost before removing installed inside wiring.

(Effective October 26, 1995)

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Compensation to Owners of Occupied Buildings

Sec. 16-247d-1. Rights of owners to just compensation

The owners of occupied buildings may apply to the Department of Public Utility Control for compensation for any taking of property associated with the installation of wiring and ancillary facilities by a telecommunications provider for the provision of telecommunications services to the occupied building, in accordance with the criteria outlined in Section 16-247d-7.

(Effective October 26, 1995)

Sec. 16-247d-2. Notice to owners regarding intent to install telecommunications facilities

The telecommunications provider seeking permission to install facilities in an occupied building shall notify the owner of the building not fewer than thirty days before the proposed date on which installation is to commence. The telecommunications provider shall include in this notice its proposed plan of installation for the telecommunications service. Said notice shall be sent by certified mail, return receipt requested.

(Effective October 26, 1995)

Sec. 16-247d-3. Notice to department, telecommunications provider and OCC regarding intent to seek compensation

Any owner of an occupied building who wishes to petition for compensation shall file an application with the department no later than thirty days following receipt of the Notice of intent to install telecommunications facilities, required under section 16-247d-2. The owner also shall send a copy of said application to the telecommunications provider seeking to install facilities and to the Office of Consumer Counsel. This application shall include the amount of compensation being sought and the basis for such claim. Failure of the owner to petition the department within the time limit specified under this section shall be deemed a waiver by the owner of the right to seek compensation for said installation.

(Effective October 26, 1995)

Sec. 16-247d-4. Application fee

Any application submitted under Section 16-247d-3 shall be accompanied by an application fee of \$50.00.

(Effective October 26, 1995)

Sec. 16-247d-5. Authorization for negotiations

Upon the filing of the application authorized under Section 16-247d-3, the owner of an occupied building and the telecommunications provider shall attempt to reach a mutually acceptable agreement regarding the amount of reasonable compensation due the owner as a result of the installation of telecommunications facilities in the occupied building. Upon request of either the owner or the telecommunications provider, the Office of Consumer Counsel may participate in such negotiations.

(Effective October 26, 1995)

Sec. 16-247d-6. Department proceedings

(a) Any proposed agreement between the owner of an occupied building and the telecommunications provider shall be submitted to the department within sixty days of the date of the application submitted under Section 16-247d-3 for approval by the department. Such agreement shall contain the criteria considered, as outlined in

Section 16-247d-7, upon which the amount of compensation was calculated. The department shall render a final decision either approving or denying said proposed agreement within ninety days of the receipt of the agreement by the department. The department may hold a public hearing on the proposed agreement before rendering its decision.

(b) If the owner and the telecommunications provider are unable to reach an agreement within the sixty days provided under Section 16-247d-6 (a), or if the department has denied the agreement submitted by the owner and the telecommunications provider, the department shall commence proceedings for a hearing to determine the appropriate compensation. The telecommunications provider, the owner and the Office of Consumer Counsel shall be designated as parties to such proceeding. The department shall complete such investigation and render a decision not later than ninety days after initiation of the proceeding.

(c) Nothing in Section 16-247d-6 shall be deemed to impair or delay the right of the telecommunications provider to install, maintain or remove telecommunications facilities, or to provide service to an individual unit in the subject premises, during the pendency of these proceedings.

(Effective October 26, 1995)

Sec. 16-247d-7. Criteria

In its determination of an appropriate award of compensation due the owner, the department shall consider the following:

- (1) The location and amount of space occupied by the installation;
- (2) Any evidence that the owner has a specific alternative use for any space which would be occupied by the telecommunications facilities, the loss of which will result in a specific quantifiable loss to the owner;
- (3) The value of the applicant's property before the installation of telecommunications facilities, and the value of the property subsequent to the installation of telecommunications facilities and the method or methods used to determine such values;
- (4) Whether the installation of the telecommunications facilities will interfere with the use and occupancy of the building, which interference would cause a decrease in the rental or resale value of the building; and
- (5) Any actual costs incurred by the property owner directly related to the installation of the telecommunications facilities.

(Effective October 26, 1995)

Sec. 16-247d-8. Appeal

Any determination made by the department under Section 16-247d-6 of these regulations may be appealed by an aggrieved party in accordance with the provision contained in Section 4-183 of the General Statutes of Connecticut.

(Effective October 26, 1995)

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Quality of Service Regulations for Connecticut Telephone and Certified Telecommunications Providers

Sec. 16-247g-1. Definitions

(1) “Basic service” means basic monthly service, intrastate toll service provided by the same company, FCC-authorized access, white pages listings, message units, and such other items as the department may designate.

(2) “Company” means any telecommunications provider.

(3) “Company complaint” means any matter that is communicated by telephone, letter, facsimile, e-mail, in person or by any other means to a telecommunications provider by any person expressing dissatisfaction with the company’s information or services and such matter is escalated to the telecommunications provider’s next level of complaint resolution.

(4) “Customer” means any person who has contracted with a telecommunications provider for telecommunications service.

(5) “Department” means the Department of Public Utility Control.

(6) “Department complaint” means any matter that is communicated to the department by any person who has contacted a telecommunications service provider concerning information or service in the categories of billing, security deposit, installation, line extension, outage, payment arrangement, quality of service, termination, workmanship, employee attitude in serving the public, or other complaint, and such person remains dissatisfied with the company’s handling of the complaint.

(7) “Facilities-based provider” means a telecommunications provider that provides telecommunications services using its own or leased facilities.

(8) “Non-basic service” means intrastate toll provided by a company other than that providing basic service, interstate toll, special circuits, terminal equipment, directory advertising, inside wire maintenance, operator service providers, 900-calls, purchased equipment, internet service, voice mail, and such other items as the department may designate.

(9) “Reseller provider” means a telecommunications provider that provides telecommunications services using the facilities of underlying carriers.

(10) “Telecommunications provider” means any telephone company, certified local exchange carrier or certified telecommunications provider as defined in section 16-1 of the Connecticut General Statutes.

(Adopted effective November 8, 2000)

Sec. 16-247g-2. Quality of service standards

(a) Each telecommunications provider, shall meet the following monthly quality of service standards:

(1) Trouble Reports Per Hundred Lines measures customer service trouble reports when customers are isolated from the network, including but not limited to intermittent no dial tone, cross-talk, static noises, error in termination calls, and repeat reports on customer lines that had a prior trouble report cleared within the last 14 calendar days. Service trouble found to be located on the side of network interface including customer premise equipment and subsequent trouble report are excluded from the calculation. Trouble Reports Per Hundred Lines is calculated in terms of customer service trouble reports per 100 working access lines. The minimum standard requirement shall be 2.25.

(2) Maintenance Appointment Met measures service repairs by percentage of customer appointments missed and is calculated by dividing the number of appoint-

ments missed by the company by the total number of initial service trouble reports. The minimum standard requirement shall be 90 percent of appointments met.

(3) Installation Appointments Met measures the percentage of missed appointments to the number of service orders. It is calculated by dividing the number of appointments missed by the company by the total number of service orders. The minimum standard requirement shall be 90 percent of appointments met.

(4) Installation Interval standard upon customer request requires 95 percent of all service orders to be completed by the company within 5 business days.

(5) Out of Service Repair standard requires 90 percent of all service repairs received by the company in any given 24-hour period shall be cleared within 24 hours.

(b) No later than January 30 and July 30 of each year, each telecommunications provider shall submit to the department semi-annual reports disaggregated by monthly performance on both a company-wide and wire center or regional levels. Reports of performance below the minimum standard level must be accompanied by a specific explanation of the reasons and the steps necessary to bring performance to an acceptable level. The semi-annual reports shall include, in addition to actual performance data, a summary report of the company's overall past performance segmented by technical services, such as, outside plant, switching, and repair, and by customer services, such as installation, billing and answering time, including the company's plans for future improvement in service quality. Each telecommunications provider shall in preparing such reports, consider comments from its employees or members of collective bargaining units. Such reports filed by a telecommunications provider shall be considered public records as defined in section 1-200 of the General Statutes of Connecticut subject to the exemptions provided in section 1-210 of the General Statutes of Connecticut.

(c) If performance on any standard falls below the minimum level for three consecutive months, the company shall file with the department an exception report no later than 30 days following the end of the period in question. Any exception report filed in such circumstances shall have appended to it an explanation of the reasons for the result and proposed solution, including the steps necessary to bring performance up to the minimum level, and a timetable for such improvement. Each telecommunications provider shall in preparing such reports, consider comments from its employees or members of collective bargaining units. Such reports filed by a telecommunications provider shall be considered public records as defined in Section 1-200 of the General Statutes of Connecticut subject to the exemptions provided in Section 1-210 of the General Statutes of Connecticut.

(d) If a telecommunications provider experiences a service outage that affects either more than ten percent of its access lines or more than 5,000 access lines, for a duration of more than three hours, it shall as soon as possible inform the department and the local police authority by telephone, facsimile or other means of such outage. Such information shall include the cause of the outage, expected duration of the outage, the company's corrective actions, including E-911 and other emergency services availability. The department may require additional information as it deems necessary.

(e) In the case of extraordinary circumstances, emergency situations and for any service standard failure that is beyond the control of the telecommunications provider, the company, upon determination of the department, shall not be held accountable for the failure to achieve the minimum standards.

(Adopted effective November 8, 2000)

Sec. 16-247g-3. Notice of rates

Each company shall by first class mail, or other written means acceptable to the department confirm in writing to the customer, within thirty days of the inception of service, a simple and clear description of the rates and services that the customer has chosen.

(Adopted effective November 8, 2000)

Sec. 16-247g-4. Billing practices

Each telecommunications provider shall provide each customer with a description of the company's billing practices at the time of initial subscription and at least annually thereafter. The description shall at a minimum, include information on the following: (1) billing period and frequency; (2) security deposit requirements; (3) late payment charges; (4) returned check charges; (5) credits for service outages; and (6) whether the company provides customer credit reports to credit agencies.

(Adopted effective November 8, 2000)

Sec. 16-247g-5. Information on bills

In addition to the information required by section 16-247c-4 of the Regulations of Connecticut State Agencies, and section 16-256j of the General Statutes of Connecticut, each telecommunications provider shall provide with all bills to customers: (1) the date on which any individually chargeable service is rendered; (2) the basic and non-basic amount due for the current billing period, identified separately from any prior basic and non-basic balances due; (3) the date by which payment must be received in order to avoid late payment charges; and (4) the current rates being charged for services.

(Adopted effective November 8, 2000)

Sec. 16-247g-6. Telephone answering standards

(a) Each company shall have sufficient employees on duty to respond promptly and accurately to all inquiries, complaints and other service requests made to it by telephone.

(b) Each company shall provide for an answering service or other means to receive emergency calls during non-business hours.

(Adopted effective November 8, 2000)

Sec. 16-247g-7. Company complaints

(a) Each company shall promptly acknowledge receipt of any person's complaint relating to the provision of its telecommunications services and provide a substantive response to the complainant within ten business days of receipt of the complaint.

(b) Each company shall maintain accurate electronic records of complaints, showing the name, address and telephone number of the complainant, the telephone number complained of if different, the date, the category of the complaint, a description of the problem and a description of the company's response thereto.

(c) Retrievable records of all such complaints, grouped by complaint category, including service quality reporting, shall be kept for not less than three years and shall be provided to the department within a reasonable period of time after request for such record is made by the department.

(Adopted effective November 8, 2000)

Sec. 16-247g-8. Department complaints

(a) Each company shall assist the department in resolving department complaints and shall provide the department as soon as possible with the name, address,

telephone number, facsimile number and e-mail address of primary and secondary employees who are responsible for resolving department complaints.

(b) Each telecommunications provider shall timely submit to the department any report, record, or data deemed necessary by the department, in its review of department complaints.

(Adopted effective November 8, 2000)

Sec. 16-247g-9. Remedies

The Department may initiate a proceeding pursuant to Sections 16-41 and 16-247g of the General Statutes of Connecticut to investigate any telecommunications provider that repeatedly fails to meet the minimal service standards or fails to comply with the service quality reporting requirements.

(Adopted effective November 8, 2000)

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Conditions, Standards and Procedures for Regulating Cellular Mobile Telephone Service

Sec. 16-250b-1. Definitions

(a) 'Carrier,' for the purposes of sections 2 through 5, shall mean any carrier of cellular mobile telephone service who is licensed by the Federal Communications Commission to operate within the state.

(Effective January 29, 1986)

Sec. 16-250b-2. Conditions under which the department may forbear from regulating cellular mobile telephone service

(a) The Department shall continue to regulate carriers, by each New England County Metropolitan Area (NECMA) as defined by the Federal Communications Commission, for eighteen months after two carriers begin to offer service in the NECMA. At the end of this eighteen-month period, the Department shall conduct a public hearing to determine whether to forbear from regulating the rates for cellular mobile telephone service in the NECMA and shall issue a decision thereon. The Department may forbear from regulating the rates for cellular mobile telephone service in any NECMA when either of the following conditions in subdivisions (1) or (2) prevails at the same time that the conditions in subdivisions (3) and (4) prevail:

(1) two or more carriers are licensed or permitted to provide service, and are offering service, in the NECMA, or

(2) service reasonably comparable in technology, price, and quality of service to cellular mobile telephone service is available generally in the NECMA;

(3) no abusive practices are being undertaken by carriers, including, but not limited to, predatory pricing and discriminatory pricing to subscribers, and

(4) the standards in section 3 have been met, and the Department is reasonably assured that those standards will continue to be met by carriers and their service if the Department forbears from regulating rates in the NECMA.

(b) If the Department decides, after the eighteen-month period established in subsection (a) of this section, not to forbear from regulating the rates for cellular mobile telephone service in any NECMA, the Department may thereafter determine whether to forbear from regulating those rates based on the conditions in subsection (a) of this section.

(c) If the Department forbears from regulating the rates for cellular mobile telephone service in any NECMA and any of the conditions in subsection (a) of this section on which the Department based a decision to forbear from regulating ceases to prevail, the Department shall investigate the condition or change therein, hold a hearing, and issue a decision on whether the public interest shall be served if the Department regulates cellular mobile telephone service in that NECMA.

(d) The Department shall continue to regulate the services, conduct of operations, accounting practices, and public safety in accordance with section 4 of these regulations, even in the event that the Department forbears from regulating the rates of cellular mobile telephone service.

(Effective January 29, 1986)

Sec. 16-250b-3. Standards for regulating cellular mobile telephone service

The Department shall regulate, on an equal basis with regard to all carriers, the rates and charges, services, accounting practices, safety and conduct of operations of such carriers in accordance with the following standards:

(a) that the public convenience, necessity and welfare are protected;

- (b) that the service is provided adequately, efficiently, and safely;
 - (c) that rates and charges reasonably reflect prudent costs and market conditions;
 - (d) that the technology is allowed to develop to benefit the public interest;
 - (e) that no abusive practices are undertaken by any carrier, including but not limited to, predatory pricing and discriminatory pricing to subscribers;
 - (f) that sufficient capacity for cellular mobile telephone service is provided, and
 - (g) that cellular mobile telephone service is provided without unreasonable discrimination and that competitive service is made available generally.
- (Effective January 29, 1986)

Sec. 16-250b-4. Procedures for regulating rates and charges

In regulating carriers, the Department shall follow the procedures below.

(a) (1) **Regulation of Rates.** For any initial application and for any subsequent tariff filing which proposes to alter existing rates and charges, the Department shall require each carrier to submit an application or filing according to the procedures established in sections 16-1-45 et seq. of these regulations and the provisions in subdivisions (2), (3) and (4) of this subsection, in accordance with 16-1-1 et seq. of these regulations.

(2) **Components Required.** The Department shall require that all initial applications and all filings submitted for cellular mobile telephone service which propose to alter existing rates or charges shall include the following components, where applicable, instead of the components described in sections 16-1-54 and 16-1-55 of these regulations:

(A) **Supporting Data.** The Department shall require that all initial applications and all tariff filings which propose to alter existing rates and charges shall be submitted to the Department with sworn testimony on matters of public benefit from the affected service and cost justification for the proposed rate. The Department may require such additional data as it deems necessary.

(B) **Effective Date.** The Department shall require that all initial applications and all tariff filings which propose to alter existing rates and charges shall include a proposed effective date which shall be no earlier than seven (7) days after the filing date. Such proposed effective date shall be suspended, in any event, until after the Department issues a decision on the application or filing.

(3) **Notice.** The Department, by publication and written notice to any person who requests in writing to receive notice, shall include the following in its notice: the carrier's name, the application's or filing's proposed effective date, a description of the subject matter in the application or filing, and a statement that the application or filing, supporting testimony and cost study are on file at the Department's offices for examination and comment by interested persons.

(4) **Hearing.** The Department shall order a public hearing on the application or filing. A public hearing shall be convened on or before thirty (30) days after the proposed effective date in the application or filing. The Department shall issue its decision and orders on or before thirty (30) days after the hearing, unless the applicant waives such a deadline.

(b) For any tariff filing which proposes any new service or language change without altering existing rates and charges, the Department shall follow and shall require any carrier to follow the procedure established in section 16-1-59A of these regulations. The Department shall require any carrier to file any proposed tariff filing following the procedures in section 16-1-45 et seq. of these regulations, in accordance with section 16-1-1 et seq. of these regulations.

(Effective January 29, 1986)

Sec. 16-250b-5. Procedures for regulating services, operations, accounting and public safety

(a) The Department shall require each carrier to keep complete records, concerning a carrier's rates and charges, services, and the conduct of operations, including, but not limited to, the following: (1) rates and charges for each service offered; (2) services and options offered; (3) types, numbers, and resolutions of complaints received; (4) policies, and the implementation of policies on, the installation and termination of service, repairs, and late payment charges; (5) all outages; (6) billing services; (7) a detailed statement of the number of subscribers and cellular numbers per subscriber, and (8) a record of any accidents and dangerous conditions which have occurred in the course of the carrier's operations or affecting its plant or employees.

(b) (1) Each carrier shall file a report with the information identified in subsection (a) of this section with the Department semi-annually, commencing six months from the effective date of these regulations. Each carrier shall provide such additional information as the Department shall reasonably request in protecting the public interest in accordance with the standards established in section 3. (2) The Department may hold a hearing and issue a decision on any report or information requested or submitted under this subsection to ensure that the standards of section 3 are met and that the public interest is reasonably protected.

(c) (1) The Department shall require each carrier in a NECMA to file quarterly financial reports with the Department for eighteen months after two carriers begin offering service in their NECMA. Such reports shall reflect, by Cellular Geographic Service Area (CGSA) within the NECMA, the results for the most current quarter and the twelve months ending with the current quarter. Such reports shall include, but not be limited to, a balance sheet and income statement with the twelve (12) months' cumulative figures ending on a quarterly basis. The Department may determine to extend the requirement for quarterly reports. (2) The Department shall require that each carrier shall submit annually an audited financial report. The Department may reasonably require that such other periodic reports be filed as it deems necessary. The Department may consider each carrier's financial condition by reviewing figures, including but not limited to, the following: operating ratio, ratio of gross income to capitalization and retained earnings, ratio of maintenance and depreciation to operating revenue, depreciation provision as per cent of plant, and such other relevant operating data seemed necessary. (3) The Department may conduct a hearing on any periodic report or accounting or financial information requested or submitted. (4) All financial reports shall be filed in compliance with the Uniform System of Accounts, as set forth in the Uniform System of Accounts For Cellular Communications Licensees or, with the Department's prior approval, in compliance with generally accepted accounting principles (GAAP). In accordance with the provisions of subsection 4-173 (c) of the General Statutes of Connecticut, the text of the Uniform System of Accounts For Cellular Communications Licensees will not be published herein. A copy of this regulation is available, upon request by any interested person, at the office of the Executive Secretary, Department of Public Utility Control, One Central Park Plaza, New Britain, Connecticut 06051.

(d) Carriers shall make every effort properly to warn and protect the public from danger and shall exercise all possible care to reduce any hazard to which employees, customers, and members of the public may be subjected by its equipment and facilities. Carriers shall report any dangerous condition to the Department as soon as reasonably possible after the carriers discover such a condition.

(e) Carriers shall report any dangerous condition or accident which has occurred in the course of their operations or affecting their plant or their employees to the Department as soon as reasonably possible after discovery of the dangerous condition.

(f) Carriers shall make available to the Department all records, data, reports, and statements of employees concerning accidents. Carriers shall assist the Department in promptly investigating the causes of and the circumstances connected with each accident which is the subject of the Department's investigation.

(Effective January 29, 1986)

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Registration of electric generating facilities. 16-258b-2

Registration of Electric Generators

Sec. 16-258b-1. Definitions

As used in sections 16-258b-1 and 16-258b-2:

(1) "Department" means the Department of Public Utility Control;

(2) "Electric generating facility" means a facility which generates electricity using any type of fuel, but shall not include any facility (A) using exclusively hydroelectric generators, (B) using individual electric generators having a capacity of four megawatts or less, (C) owned or operated by an electric distribution company or gas company, as defined in section 16-1 of the General Statutes of Connecticut, (D) associated with or under the control of the federal government or (E) subject to safety regulation by the Nuclear Regulatory Commission;

(3) "Electric generator" means a machine that converts mechanical energy into electrical energy, including all equipment and apparatuses associated with or ancillary to the generator, such as turbines and boilers; and

(4) "Person" means "person" as defined in section 16-1 of the General Statutes of Connecticut.

(Adopted effective December 7, 2001)

Sec. 16-258b-2. Registration of electric generating facilities

(a) No electric generating facility shall be operated in this state without a certificate of registration from the Department authorizing such operation.

(b) Any person who seeks to obtain a certificate of registration for an electric generating facility shall submit a registration application, on a form prescribed by the Department, providing, at minimum, the following information:

(1) Name and location of such electric generating facility;

(2) Name and address of (i) the owner or owners and (ii) the operator of such electric generating facility;

(3) Dates on which such electric generating facility began operation or is scheduled to be installed or to begin operation,

(4) Evidence of comprehensive general liability insurance covering such generation facility issued by an insurance carrier licensed under the provisions of section 38a-41 or otherwise authorized under sections 38a-271 or 38a-740 of the General Statutes of Connecticut that correspond in coverage and terms and conditions to those that are commercially reasonable and customary within the industry;

(5) Type of primary and backup fuel utilized by the generation facility, and

(6) Winter generating capacity of the generating facility.

(c) If there is any change in any information contained in the registration application or submitted to the Department, the applicant or owner or operator of an electric generating facility shall notify the Department, in writing, within 30 days of such changes.

(d) The Department shall grant or deny a registration application not more than 30 days after receiving such application. The Department may deny a registration application if such application is incomplete or if the Department determines that the liability insurance policy or terms of coverage for the subject electric generating facility is not commercially reasonable and customary within the industry. The Department may revoke a certificate of registration after notice of violation, hearing and opportunity to remedy, if the owner or operator of an electric generating facility violates subsection (c) of this section. Such hearing shall be conducted as a contested case in accordance with chapter 54 of the Connecticut General Statutes.

(Adopted effective December 7, 2001)

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Petitions and Applications

Sec. 16-261-1. Components for extension of electric lines

If such application is for extension of electric lines to unserved area under section 16-261 of the Connecticut General Statutes, then there shall be annexed to the application:

(1) Statement describing area to which extension of lines is sought, setting forth anticipated number of subscribers and the nature of electric service applicant seeks to have ordered;

(2) Where applicable, any map, plan or other form of illustration necessary to describe the scope and nature of the area to which the extension of lines is proposed; and

(3) Description of the subscribers applicant expects will be served by such extension of electric lines, including such summary of the uses to which electric service will be employed by subscribers as will enable the commissioners and the electric distribution company to estimate the expenses and revenues to be anticipated if the application is granted.

(Effective December 21, 1971; transferred and amended from § 16-1-76, August 23, 2000)

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Security Deposits Required by Gas or Electric Companies

Security deposits 16-262j-1

Security Deposits Required by Gas or Electric Companies

Sec. 16-262j-1. Security deposits

(a) **Definitions.** As used in this section:

(1) “Utility company” or “company” means gas or electric distribution company, electric supplier or other entity within the jurisdiction of the department of public utility control which provides utility service. Any companies under common ownership may be deemed by such companies to be one company for the purposes of this section;

(2) “Utility service” means gas, electric distribution, transmission or generation service provided by a company to a residential customer at retail rates;

(3) “Residential customer” means any person to whom a utility company has agreed to supply utility service at residential premises occupied by that person alone or with others as a single housekeeping unit;

(4) “Prospective residential customer” means any person who has requested or proposes to initiate utility service from a company as a residential customer;

(5) “New customer” means a prospective residential customer who has not been a residential customer of the company for at least two of the past three years;

(6) “Delinquent account” means a utility service bill which has remained unpaid for a period of more than thirty days from the date of receipt of a bill rendered by or on behalf of a utility company which bills upon a monthly basis; or a utility service bill which has remained unpaid for a period of more than sixty days from the date of receipt of a bill rendered by or on behalf of a utility company which bills on a bi-monthly or quarterly basis. Any subsequent bills for the same type of utility service for which a delinquent account exists shall be considered part of said delinquent account upon receipt thereof. No partial payment of any delinquent account shall affect the delinquent status of the amount remaining unpaid on such account;

(7) “A customer who lacks the financial ability to pay a security deposit” means:

(A) A person receiving local, state, or federal public assistance including but not limited to:

(i) Aid to the blind;

(ii) Aid to families with dependent children or temporary family assistance;

(iii) Old age assistance;

(iv) Aid to the disabled;

(v) Medicaid;

(vi) Supplemental security income; or

(vii) General assistance or state administered general assistance;

(B) A person whose sole source of financial support is derived from social security, veteran’s administration or unemployment compensation benefits;

(C) A person whose income falls below one hundred twenty five per cent of the poverty level as determined by the federal government in accordance with the income poverty guidelines from the regional office of family assistance, department of health, education, and welfare or its successor agency; or

(D) A person whose circumstances threaten a deprivation of the necessities of life for himself or herself or dependent children of his or her household if payment of a security deposit is required; and

(8) “Department” means the department of public utility control or its successor.

(b) Grounds for Security Deposit before Supplying Utility Service to Residential Customers: Notice of Requirement: Payment in Installments. An applicant

for utility service shall be given an explanation by the company, prior to the inquiry, that these questions are being asked only to determine credit standing.

(1) A company may require a security deposit from a new customer only as follows:

(A) If the new customer does not provide positive responses to at least three of the following six questions.

Questions: (i) What are the employer's name, address and telephone number and the applicant's position;

(ii) What is the applicant's length of time with present employer? If the applicant has less than 18 months with present employer, previous employment or reason(s) for not being previously employed;

(iii) Whether the applicant owns or rents his place of residence? If renting, does the applicant have a written lease; if so, what is duration of the written lease? If no written lease, how long has the applicant lived at present and preceding residences; address of preceding residence;

(iv) Whether the applicant has any bank accounts. If so, types of accounts, banks at which located, and how long accounts have been maintained;

(v) Whether the applicant has credit cards, charge accounts, loans or other credit references; and

(vi) Whether the applicant has significant source of income other than from employment.

(B) The following responses to the respective questions are to be considered positive responses:

(i) Employment alone (position is not to be given any weight); or employment of a spouse who is living with applicant;

(ii) Employment by the present employer for 18 months; or employment for less than 18 months and only one other employer during that period; or employment by the present employer for less than 18 months and no previous employment because of attendance at high school, college or other educational or training program, or because of active military duty, illness or hospitalization;

(iii) Ownership of residence to be served; or one year or longer written lease of residence to be served; or occupancy of not more than two residences during past two years;

(iv) Possession of bank account (checking or savings) for at least one year, substantiated by the bank not to be overdrawn;

(v) Possession of national credit cards, such as Mastercard, Visa, Discover, or American Express (no gasoline company cards) in good standing; or active charge account with at least one major store in service area which will verify account; or extension of substantial credit by a bank or commercial concern which will verify account; or as customer receiving same type of utility service from another company for at least two of the past three years, no account delinquent three or more times and no termination or judgment for nonpayment of a delinquent account; and

(vi) Existence of other sources of more than nominal income, such as stocks, real estate, pension, alimony, welfare, etc.

(C) All answers shall be subject to verification by the company. Questions shall be asked in above order, and when three positive responses are provided, no further questions shall be asked. If an applicant refuses to respond to any question or part thereof, it shall be considered a negative response to that question.

(2) A company may require a security deposit from one other than a new customer only as follows:

(A) If the company has terminated the prospective residential customer's utility service during the past two years for any of the following reasons: (i) Non-payment of a delinquent account; (ii) failure to amortize an unpaid account balance in accordance with an agreement; (iii) fraud or misrepresentation; or (iv) failure to reimburse the company for damages due to intentional or negligent act of the customer;

(B) If the company has obtained a judgment against the prospective residential customer during the past two years for non-payment of a delinquent account;

(C) If the prospective residential customer has had a delinquent account for three consecutive months or two consecutive billing cycles whichever is more during the past two years; or

(D) If the prospective residential customer has an outstanding delinquent account.

(3) A company may not refuse to provide utility service where the customer lacks the financial ability to pay a security deposit.

(A) If a company has determined under subsection (b)(1) or (b)(2) of this section that a security deposit should be required from a customer, the company shall inform that customer that service will not be denied if the customer lacks the financial ability to pay, and shall provide him or her with a copy of this section.

(B) A company shall determine and notify a prospective customer whether a security deposit will be required within five working days after receiving a request for service and, if applicable, receipt of responses to the company's requests for verification of the customer's statements.

(C) The amount of the security deposit shall not exceed an amount equal to three twelfths ($3/12$) of a year's estimated billing. In order to standardize deposits, and/or for administrative purposes the company may submit, for department approval, a schedule of proposed standard deposits for specific user classes of customers.

(D) A company may, at its option, and by agreement, provide for installment payments of any security deposit as determined in subsection (b)(3)(A) of this section.

(4) Interest on any security deposit received from a customer for each calendar year shall be paid at the rate prescribed in section 16-262j of the Connecticut General Statutes. Interest shall accrue daily and shall be paid or credited to the customer's account annually. Accrued interest shall be paid upon return of the deposit if such return is made at other than the annual payment date of interest.

(Effective December 29, 1980; amended August 5, 1997; transferred and amended from § 16-3-200, August 23, 2000)

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Certificates of Convenience and Necessity for Small Water Companies

Sec. 16-262m-1. Definitions

(a) "Community Water System" or "System," as used herein, shall mean a system which supplies to the public piped water for human consumption, if such system has at least fifteen and no more than two hundred fifty service connections or regularly serves an average of twenty-five to one thousand persons daily at least sixty days out of the year, when such water is supplied as part of a lease or contract. A community water system includes but is not limited to, (1) any collection, treatment, storage, and distribution facilities under control of an operator of such system and used primarily in connection with such system, and (2) any collection or pre-treatment storage facilities not under such control which are used primarily in connection with such system. Community water systems may include, but are not limited to service to: residential sub-divisions, cluster-housing projects, homeowners associations, municipalities, tax districts, duplexes, townhouses, apartment buildings or complexes, residential and office condominium developments, elderly housing projects, convalescent homes, trailer or mobile home parks, industrial parks, shopping centers or malls, large manufacturing buildings and other commercial enterprises.

(b) "Feasible Interconnections," as used herein, shall mean that the extension of an existing utility's water mains is considered feasible to serve a proposed project with at least fifteen service connections or twenty-five persons if the developer's investment for such extension, including service connections and appurtenances, is less than \$5,000 (construction costs only) per dwelling or office unit and if there is sufficient supply and storage facilities to accommodate the anticipated demand available from the existing utility. If there is insufficient supply and storage available from the existing utility, the cost of developing such facilities may be included in the water main extension proposal, as additional items.

(c) "Duplication of Water Facilities" as used herein, shall mean that plant and equipment of a community water system which the Department of Public Utility Control determines is substantially repetitive to the plant and equipment of another water purveyor or community water system within one linear mile of the proposed project, as measured along public or private roadways. Geological factors such as elevation differences, slope of the land and depth to bedrock will be considered in determining duplication of facilities.

(d) "Expansion," as used herein, shall mean the following: (1) a five percent increase in the number of service connections to be served by a community water system, above the number allowed under an existing certificate or permit issued by the Department of Public Utility Control and the Department of Health Services, or (2) a five percent increase in the number of service connections to be served by a community water system above the number served as of the effective date of these regulations.

(e) "Phase I-A, Phase I-B and Phase II," as used herein, shall mean the three parts of the application and review procedure for the construction or expansion of any community water system.

Phase I-A grants the developer approval of his well sites and permission to obtain the well drilling permits from the appropriate town to proceed with groundwater exploration and development of such wells. The issuance of this approval means that the Department of Public Utility Control and the Department of Health Services

have determined that a main extension to an existing system is not feasible (for new water systems only) and that there will be no duplication of service of other existing water utilities in the area when the project is finished. Phase I-B evaluates the well yield and water quality data so that proper pump sizing, storage and appurtenant equipment and any required treatment processes can be incorporated into the design of the water system. This approval permits the developer to obtain building permits from the town to clear the site, lay out the roads, construct the drainage facilities and dig or pour the foundations of the buildings themselves. Phase II Approval, the final Certificate, permits the developer to go forward with the remainder of the project, i.e. installing the water distribution system and waterworks (storage tanks, transfer pumps, meters, etc.) and the septic or sewer systems (assuming appropriate approvals have already been obtained from the Department of Health Services or local Directors of Health or Department of Environmental Protection) for the septic or sewer systems and the diversion of water.

(f) "Service Connection," as used herein, means the service pipe from the main to the curb stop, at or adjacent to the street line or the customer's property line.

(g) "Customer," as used herein, means any person, firm, corporation, company, association, governmental unit, lessee who by the terms of a written lease is responsible for the water bill, or owner of property furnished water service by a water company.

(h) "Existing System," as used herein, shall mean a regulated public service or municipal utility or regional water authority having an operating water system within one linear mile of the proposed project as measured along public and private roadways.

(i) "Satellite system" as used herein, shall mean a non-connected community water system of an existing system.

(j) "Regulated Public Service Utility," as used herein, shall mean a water company, as defined in Section 16-1 of the General Statutes of Connecticut, that is under the jurisdiction of the Department of Public Utility Control.

(Effective September 25, 1987)

Sec. 16-262m-2. Chronological application procedures

The following procedures for applying for and issuing certificates of public convenience and necessity shall be followed by any applicant for a certificate of public convenience and necessity in accordance with General Statutes of Connecticut Section 16-262m, and by the Department of Public Utility Control, the Department of Health Services, and any other participant in the proceeding on such an application:

(a) The Department of Public Utility Control may conduct a pre-application conference with any potential applicant.

(b) (1) The applicant shall submit three (3) originals of the application for approval under Phase I-A, Phase I-B, or Phase II to the Department of Public Utility Control's Engineering Division in the format prescribed by the Department of Public Utility Control.

(2) An application fee of \$100.00 shall be enclosed with the initial application when it is submitted to the Department. Checks shall be made payable to the Treasurer of the State of Connecticut. Payment of only one (1) fee shall be required per application, even if the application is submitted in separate phases. An applicant whose application is rejected or denied will be required to pay a separate fee for any application subsequently resubmitted. An applicant may elect to submit Phase I-A, Phase I-B and Phase II data of the application simultaneously, but each Phase will be reviewed separately.

(c) The Department of Public Utility Control will forward one copy of the application for approval under Phase I-A, Phase I-B and Phase II to the Department of Health Services, notifying it that processing and reviewing should begin. The Department of Health Services should conduct well site inspections upon receiving notice from the Department of Public Utility Control that the Application is considered complete and an interconnection has been found not to be feasible.

(d) The Department of Public Utility Control shall review each phase of the application preliminarily for completeness and either accept or reject the application, or specify the additional information required. The Department of Public Utility Control shall notify, in writing, any applicant and the Department of Health Services of the Department of Public Utility Control's decision to accept or reject the application or to require additional information. Upon completion of review of each phase of an application, the Department of Health Services shall forward its approval or denial in writing to the Department of Public Utility Control.

(e) (1) The Department of Public Utility Control and the Department of Health Services shall simultaneously review each phase of the application on its merits, and either recommend approving or denying the application's request.

(2) The Department of Public Utility Control and the Department of Health Services may consult with each other and with the applicant to modify the application prior to such approval or denial, providing all modifications are confirmed and submitted in writing by the applicant.

(f) Upon the joint approval of any phase of the application by the Department of Public Utility Control and the Department of Health Services, the Department of Public Utility Control shall issue a letter of approval for that phase of the project.

(g) Upon the joint agreement between the Department of Public Utility Control and the Department of Health Services, the two agencies shall issue the Certificate pursuant to General Statutes of Connecticut Section 16-262m. If either Department finds reason for denial of a Certificate, no Certificate shall be issued.

(h) Any applicant issued a certificate under Phase II shall submit one (1) copy of as-built plans, certified by a professional engineer registered in the State of Connecticut, each, to the Department of Public Utility Control, to the Department of Health Services, to the specified owner of the water system, and to the town in which the project is located. These as-built plans shall be submitted to the respective parties no later than ninety (90) days from the completion of the construction.

(i) The Department of Public Utility Control and the Department of Health Services shall complete its review of each phase of the application in accordance with the schedule set forth below:

(1) Phase I-A reviews shall be completed within sixty (60) days of the Applicant filing the information specified in Section 16-262m-5 herein, with the Department of Public Utility Control;

(2) Phase I-B reviews shall be completed within thirty (30) days of the Applicant filing the information specified in Section 16-262m-6 herein, with the Department of Public Utility Control;

(3) Phase II reviews shall be completed within sixty (60) days of the Applicant filing the information specified in Sections 16-262m-7, 16-262m-8 and 16-262m-9 (if applicable) herein, with the Department of Public Utility Control;

(4) If the Applicant elects to submit Phase I-A, Phase I-B and Phase II data of the application simultaneously, each phase will be reviewed separately as indicated in paragraphs 1, 2 and 3 above.

(Effective September 25, 1987)

Sec. 16-262m-3. Application and approval of three-phase construction

(a) The application for a new system or for an expansion of an existing system which involves a new water source shall be submitted and reviewed in three phases, as Phase I-A, Phase I-B and Phase II. The same chronology and procedures established in Section 16-262m-2 shall be followed sequentially first for Phase I-A and subsequently for Phase I-B and Phase II. It is recognized that some applications for expansion may not require a Phase I-A or Phase I-B review. In such cases only a Phase II application shall be required.

(b) (1) The application for Phase I-A, shall identify items including, but not limited to, the following: (A) The feasibility of interconnection to an existing system; (B) the location and proposed construction of any source of supply; (C) the possible duplication of service and water facilities caused by the installation of the proposed system; (D) the name of an existing regulated or municipal water utility or regional water authority which will own, operate and maintain the final constructed water supply facilities if they are to remain as a non-connected satellite system;

(2) The Department of Public Utility Control and the Department of Health Services shall determine the issues in subparagraphs (b) (1) (A), (b) (1) (B), (b) (1) (C), and (b) (1) (D) in this subsection;

(3) If the Department of Public Utility Control and Department of Health Services jointly determine that the applicant meets the criteria reviewed under subdivisions (1) and (2) of this subsection, the Department of Public Utility Control shall grant approval of the Phase I-A application, in writing to allow the applicant to construct the source of supply proposed in the application. The applicant shall proceed to construct the source of supply in conformance with the application and any conditions set by the Department of Public Utility Control and Department of Health Services in the approval. Applicants proposing withdrawals in excess of 50,000 gallons of water from one or more wells joined in a system where combined maximum withdrawal exceeds 50,000 gallons of water during any twenty-four hour period must confer with the Department of Environmental Protection to determine appropriate water diversion permit requirements under Section 22a-365 of the General Statutes of Connecticut;

(4) Approval under Phase I-A shall not in and of itself guarantee the later issuance of a certificate of public convenience and necessity.

(c) (1) The application for Phase I-B shall identify items including, but not limited to, the following:

(A) well yield data for each well, based on a suitable yield test performed by a qualified well yield tester in accordance with the criteria set forth in section 16-262m-8 herein and Section 19-13-B51 (K) of the Regulations of Connecticut State Agencies; and

(B) water quality data for each well as specified by the Department of Health Services.

(2) The Department of Public Utility Control and the Department of Health Services shall jointly evaluate the data in subparagraphs (c) (1) (A) and (c) (1) (B) in this subsection.

(3) If the Department of Public Utility Control and Department of Health Services determine that the applicant meets the criteria reviewed under subparagraphs (c) (1) (A) and (c) (1) (B) of this subsection, the Department of Public Utility Control shall grant approval of the Phase I-B application, in writing to allow the applicant to obtain building permits to perform the functions specified in section 16-262m-1 (e). The applicant shall proceed with construction in conformance with the application and any conditions set by the Department of Public Utility Control and the

Department of Health Services in the approval. Approval under Phase I-B shall not in and of itself guarantee the later issuance of a certificate of public convenience and necessity for the applicant.

(d) (1) After receiving approval to proceed with the various aspects of the project under subsection (c) above, an applicant shall submit an application under Phase II. This application shall demonstrate items including, but not limited to, the following:

(A) conformance of proposed construction with the Department of Public Utility Control's and Department of Health Services' engineering standards;

(B) conformance of proposed construction with all federal and state standards on water supply;

(C) the financial, managerial, and technical resources of the applicant and ability to maintain adequate service.

(2) The Department of Public Utility Control and Department of Health Services shall jointly evaluate the issues in subparagraphs (d) (1) (A), (d) (1) (B) and (d) (1) (C) of this subsection.

(3) If the Department of Public Utility Control and Department of Health Services determine that the application meets the criteria in subparagraphs (d) (1) (A), (d) (1) (B) and (d) (1) (C) of this subsection the Department of Public Utility Control and Department of Health Services shall jointly issue a certificate of public convenience and necessity to the applicant.

(4) The applicant shall notify the Department of Public Utility Control, the Department of Health Services and the specified owner of the water system when the construction of the pumphouse, distribution system and service lines commence so that a field inspection can be scheduled to witness the installation of such items and when construction is completed so that a field inspection can be scheduled to inspect the as-built facilities.

(Effective September 25, 1987)

Sec. 16-262m-4. Options when main extensions are not feasible

(a) In the event that the Department of Public Utility Control and Department of Health Services determine that a main extension is not feasible, i.e. that it is too costly to construct a main extension; and that no existing regulated public service or municipal utility or regional water authority is willing to expand or own, operate and maintain the final constructed water supply facilities as a non-connected satellite system, the applicant may pursue the following options:

(1) If an existing regulated public service or municipal utility or regional water authority is willing to provide satellite ownership and management services, but is unable to meet all the criteria described in Sections 16-262m-8 and 16-262m-9 herein, the Department of Public Utility Control and the Department of Health Services may waive specific criteria in writing, if it is deemed to be in the best interest of the public affected.

(2) The applicant may withdraw the application and request the town in which the project is to be constructed to determine if the town's zoning requirements will permit individual wells. If this proposal is acceptable to the town, the developer may change the configuration of the project in order to accommodate individual wells. This option is available to the applicant at any time and may be pursued without obtaining a Certificate of Public Convenience and Necessity.

(3) The applicant may continue forward with the application by sustaining the burden of proof that the entity that will own the water system has the financial, managerial and technical resources to operate the proposed water supply system in

a reliable and efficient manner and will provide continuous, adequate service to the proposed consumers to be served by the system. The criteria for meeting this burden of proof is set forth in Section 16-262m-9 of these Regulations.

The above options must be pursued in the order presented, i.e. option three cannot be pursued until options one and two have been exhausted.

(b) Any party who is aggrieved such that a specific personal and legal interest of said party has been specially and adversely affected by the decision to approve, reject or modify the application for the issuance of a Certificate may request a hearing which will be held jointly before the Department of Public Utility Control and the Department of Health Services. Such appeal will be based on the Administrative record compiled by the Department of Public Utility Control and the Department of Health Services including such additional relevant evidence and testimony as the parties may submit.

(c) If a community water system, as defined in Section 16-262m-1 (a) herein, is constructed without the required Certificate of Public Convenience and Necessity, the Department of Public Utility Control and the Department of Health Services shall notify the appropriate Town officials, of the Town in which the system is located, that such Town is responsible for the future operations of that community water system, in accordance with Section 8-25a of the General Statutes of Connecticut.

(Effective September 25, 1987)

Sec. 16-262m-5. Components of the application under phase I-A

Any application for Phase I-A shall include, but not be limited to, the following:

(a) exact legal name, address, and telephone number of applicant and name and title of contact person; in the event the applicant is a corporation, the applicant should also provide the names and addresses of the corporate officers;

(b) name, address, telephone number of proposed registered professional civil engineer who will have design and supervision responsibility for the construction of the system;

(c) a check for \$100.00 payable to the Treasurer of the State of Connecticut;

(d) engineering data certified by a professional engineer registered in the State of Connecticut as follows:

(1) At a minimum, a site plan and specifications for any water sources which shall provide for adequate well location, adequate well construction procedures, and proper sanitary easements for the wells. There shall be at least two wells shown on the plan and a reserve site for additional wells, as needed.

(2) Plans showing the relationship of the proposed water system to the sanitary sewage and storm drainage facilities, and indicating the distances from the proposed wells; wetlands and watercourses, observation wells; contour lines, customer premises, and sanitary sewage, storm drainage and septic facilities;

(3) A minimum 8" square location plan map showing the location and extent of service areas of any existing community water system or other water purveyor within one linear mile of any portion of the proposed system and identifying all adjacent entities or property owners; (use a Scale 1" = 2000'). The map should also indicate any known probable future building areas (as filed with the Town Planning & Zoning Commission) which might reasonably be served by main extensions of the subject system;

(4) An evaluation of the quantity of water necessary to provide an adequate supply at required pressures to existing and projected customers, including probable

future building areas, during periods of average and peak demands for at least 15 years after construction;

(5) Sanitary survey evaluation of pollution sources (present and past), such as, but not limited to: sanitary sewage, cemeteries, landfills, salt storage and commercial and industrial facilities, which might affect the groundwater quality;

(6) A description of the groundwater quality and subsurface soils as classified by the United States Geological Survey, for the project area;

(7) A plan for controlling pollution sources which might affect the wells;

(8) A description of the procedures, methods, schedule and location, for conducting required sampling, testing and reporting on yield testing and water quality;

(9) A topographical map showing the relationship and location of the proposed project to the surrounding area;

(10) A brief description of the water system project and operational layout;

(e) A letter from the town where the project is located indicating whether or not fire protection facilities are required to be included in the design of the water system. If fire protection is to be required, the letter from the town should indicate the number of hydrants required to serve the project as well as the minimum distance allowed between hydrants;

(f) letters from all regulated public service or municipal water utilities or regional water authorities within one linear mile of the applicant's project expressing willingness or unwillingness to serve as water supplier to the applicant's project. If a water utility expressed willingness to serve, the letter submitted shall include the proposed manner of service and cost, via main extension or satellite ownership. The letter shall discuss the alternative of the water utility owning and operating the system as a non-connected satellite system. The letter shall also include the linear footage, size of pipe, material, and cost of a main extension including service connections, if such extension were required to be constructed. It should also indicate whether additional supply, storage and booster facilities, and their related costs, are necessary for providing proper service;

(g) if the applicant's project is located in an area where there is an adopted coordinated plan, in accordance with Sections 25-33c to 25-33j, inclusive, of the General Statutes of Connecticut, the water utility expressing willingness to serve the applicant's project must do so, in conformance with the established plan with full regard to exclusive service areas and satellite ownership and management stipulations. If a water utility coordinating committee has been convened for the appropriate management area, but does not yet have an approved coordinated plan, the applicant should furnish a letter from the committee indicating that the project is conceptually agreeable to it.

(Effective September 25, 1987)

Sec. 16-262m-6. Components of the application under phase I-B

Any application for the issuance of a certificate of public convenience and necessity under Phase I-B shall include, but not be limited to, the following:

(a) A copy of the well drillers completion report for each well;

(b) A copy of the yield test results for each well indicating pumping rates, certified well yields and drawdown information;

(c) A copy of the water quality test results from samples obtained during the yield test;

(d) A signed agreement between the developer of the water system and the existing regulated public service or municipal water utility or regional water authority

indicating that the final constructed water supply facilities will be dedicated to that utility. With a regulated public service company such agreement will specify any refunds that the developer may be entitled to for each service connection made to the community water system. The utility will be expected to receive from the developer an itemized breakdown of the actual costs of the water system facilities so that proper accountability and rate-making treatments (if applicable) can be afforded to the utility by the Department of Public Utility Control.

(e) The requirements of Section 16-262m-9 shall be addressed in Phase I-B.
(Effective September 25, 1987)

Sec. 16-262m-7. Components of the application under phase II

Engineering data certified by a professional engineer registered in the State of Connecticut as follows:

(a) Plans and specifications for the project must include but not be limited to: transfer pumps, well pumps and pump curves, hydropneumatic tanks, treatment facilities, distribution system layout, atmospheric storage facilities, metering (each source and customer), location of sample taps, on-site standby power, presence of emergency alarms, location of pressure gauges, location of gate valves and blow-offs, water level gauges on storage tank, fire protection (if necessary), and disinfection procedures;

(b) A hydraulic gradient of the proposed system;

(c) A detail of a typical service line, service connection, thrust block installation, hydrant installation, cross-section of trench containing pipe, and a meter installation;

(d) A plan and profile drawing of the water main and all other underground utilities (sewer, gas, electric, telephone or cable television);

(e) Name, address, telephone number and title of proposed operator with day-to-day responsibility for system.

(Effective September 25, 1987)

Sec. 16-262m-8. Design criteria

All community water systems proposed for construction or expansion in accordance with Section 16-262m of the General Statutes of Connecticut shall be designed substantially in accordance with the technical standards enumerated herein.

(a) For the purposes of this Section and Sections 16-262m-5, 16-262m-6 and 16-262m-7 inclusive, the following definitions shall apply:

(1) "Anticipated Average Daily Demand" shall mean the estimated normal water usage of the system as determined for the most representative 24 hour period of record not affected by unusual demand conditions such as drought or a significant temporary increase in demand;

(2) "Peak Hour Demand" shall mean largest hourly volume of water consumed and shall be considered $\frac{1}{3}$ of the average daily demand;

(3) "Design Population" shall mean the estimated number of people per service connection, calculated as follows, unless specific circumstances dictate otherwise:

<i>Type of service</i>	<i>Design Population Per Service Connection</i>
Single family dwelling (Over 3 bedrooms add 1 person per additional bedroom)	4
Multi-dwelling (i.e. apartments, elderly housing, duplexes, townhouses and residential condominiums)	
One bedroom unit	2
Two bedroom unit	3
Three bedroom unit (over 3 bedrooms add 1 person per additional bedroom)	4
Mobile Homes or Trailers	2.5
Convalescent Homes	Use Number of Beds
All other components described in 16-262m-1 (a)	Use Estimated Population

(4) “Safe Daily Yield of a Water Supply System” shall mean the amount of water which can be delivered to the system from all the system sources at the safe yield rate simultaneously in an 18 hour period expressed in gallons per day;

(5) “Safe Yield of a Well” shall be calculated as follows: (A) Unconsolidated aquifer ground water sources. The safe yield shall be based on an analysis of the impact of minimum water table elevations projected in a dry period on the yield of the well(s) and an analysis of critical impacts such as decreased stream flow or induction of pollutants. (B) Confined and bedrock aquifer ground water sources. Safe yield shall be equal to 90% of the hourly yield of the well multiplied by 18 hours of pumping per day except that the safe yield may be less when utilization of this yield will have unacceptable impacts or when historical reports or other information indicates that the safe yield is less. Hourly well yield shall be based on a pump test during which the cone of depression caused by the pumping of the well shall be stabilized for at least 24 hours;

(6) “Source” shall mean any Department of Health Services approved well, spring, reservoir or other location where water is siphoned, pumped, channeled or drawn for use in a potable water supply;

(7) “Source of Pollution” shall mean any place from which stems or condition which may cause pollution of a ground or surface water supply. It may include but not be restricted to a watercourse including any stream, pond, lake or river; privy; subsurface sewage disposal system; cemeteries; sanitary landfill; sewage lagoon; industrial waste disposal location; sanitary or storm sewers; or a buried oil or gasoline storage tank;

(8) “Well Pump Capacity” shall mean the maximum quantity of water the well pump can supply under normal operating conditions. The pump capacity shall not exceed the safe yield of the well;

(9) “Yield of a Well” shall mean the amount of groundwater which can be withdrawn from a well as determined by the yield test. The yield of a well is expressed as gallons per minute (gpm);

(10) “Service Pipe,” as used herein shall mean the pipe that runs between the curb stop, at or adjacent to the street line or the customer’s property line, and the customer’s place of consumption.

(b) **Facility location.** These include such items as, but not limited to, treatment plants, pumping stations, storage tanks, etc., but do not include water intakes and connecting pipelines.

New facilities are to be located: (1) Above the level of the one hundred year flood and not within the floodway boundary as established on flood boundary and floodway mapping prepared pursuant to the federal flood insurance program; (2) Where chlorine gas will not be stored or used within three hundred feet of any residence; and (3) Where the facility is not likely to be subject to fires or other natural or manmade disasters.

(c) The following equations are to be used when determining the design population and water demand of the community water system. Where unusual circumstances exist, the Department of Public Utility Control and Department of Health Services will determine the appropriateness of these equations.

(1) Design Population Served = number of service connections \times number of people per service;

(2) Average Daily Demand = population served \times 75 gallons per person per day;

(3) Peak Hour Demand = average daily demand \times $\frac{1}{3}$.

(d) **Water Supply requirements:**

(1) Each community water system shall be designed to furnish and maintain sufficient facilities to provide a continuous and adequate supply of water; and there shall be at least a 15% margin of safety maintained between the system's safe daily yield and anticipated average daily demand. Unless other acceptable provisions are made to assure continuous service, the community water system should be able to meet the anticipated average daily demand with its largest well and/or pump out of service;

(2) For a system utilizing only groundwater supplies, a minimum of 2 well sources shall be provided;

(3) All wells shall be subjected to a minimum 72-hour yield test, by a qualified well yield tester, such that at a constant pumped discharge rate, the drawdown level has stabilized for at least a 24-hour period. The pump must run continuously during the yield test for the entire 72 hour period irregardless of the anticipated well yield. The following items must be recorded and measured during the test:

(A) Static water level before pumping;

(B) Date, time, pump rate and drawdown (at least hourly);

(C) Time and water levels after pump has been shut down until well has recovered;

(D) Each well shall have a drawdown curve plotted from the results of the yield test, with the tester's established safe daily yield at its stabilized drawdown certified and printed thereon. Suitable provisions shall be made in cases of wells that are located in close proximity to each other and subject to "interference." In such cases a simultaneous pumping of each well shall be required;

(E) Whenever possible, the pump test shall be performed during the summer months and should be conducted during a time period absent of precipitation or as reasonably close to non-precipitation as possible;

(F) Suitable provisions including data from observation wells shall be made in cases of wells located in close proximity to wetlands, drainage ways, or watercourses in order to quantify the effect of induced recharge on flows in such wetlands, drainage ways or watercourses;

(4) All wells, especially deep drilled rock wells, are subject to diminution of their yields after a period of time. Therefore, they should be periodically monitored for possible loss of yield, and scheduled for an appropriate maintenance program

when conditions dictate. When new wells are added at a future date, especially in the vicinity of existing wells, suitable measures shall be taken to ascertain potential loss of yield from the adjacent wells simultaneously with the yield testing of the new wells;

(5) Reserve well site property is required and must be shown on the final map;

(6) There shall be a safe yield capacity sufficient to supply 75 gallons per person per day and at least 15% additional supply to maintain an adequate margin of safety and be able to accommodate adjacent growth in the future.

(e) Source Protection:

(1) The following *minimum* separating distances are required by Public Health Code Sections 19-13-B51 and 19-13-B103 (Technical Standards).

Item	Minimum Distances*		
	Under 10 gpm	10-50 gpm	Over 50 gpm
(A) Septic system, buried oil tanks or other sources of pollution	75'	150'	200'
(B) Cast iron sewer pipe or equivalent	25'	75'	100'
(C) Surface water body or drain	25'	50'	50'

* Greater separating distances are required for gravel wells with pumping capacities greater than 50 gpm where ledge is found at less than 10 feet and/or the soil percolation rate is faster than 1 inch per minute at surrounding septic systems.

(D) Sanitary conditions within the radial separating distance required shall be under the control of the water supply owner by direct ownership, easement, or other arrangement approved by the Department of Health Services and detailed on the as-built map.

(f) Well Construction and Water Quality:

(1) Wells shall be constructed in accordance with Public Health Code Regulation 19-13-B51 and the Regulations of Connecticut State Agencies Sections 25-128-1 through 25-128-64, inclusive (Regulations of the Well Drilling Industry);

(2) The bacterial, physical, inorganic chemical, organic chemical and radiological quality of the source must satisfy the requirements of Public Health Code Regulation 19-13-B102 and the Connecticut Department of Health Services action levels for organic compounds. Suitable treatment may be required by the Department of Health Services;

(3) Each well shall be equipped with a water level probe for periodic drawdown measurement; and there shall be provided suitable low water level well pump shut-off and lightning protection devices in accordance with Section 19-13-B102 (n) of the Regulations of Connecticut State Agencies.

(g) Atmospheric Storage Tank:

(1) The atmospheric storage tank shall be equipped with a properly bolted entry hatch to allow access for cleaning and painting of the tank and a filler pipe to provide for water to be trucked in. The filler pipe must be capped and locked. The tank shall also be equipped with a sight glass gauge, a screened vent pipe and a high and low water level signal system. There shall be a drain valve at the bottom of the accessible face of the tank. Drain lines must discharge to the ground. No direct connection to a sanitary sewer will be permitted;

(2) Atmospheric storage tank capacity shall be at least 200 gallons per residential customer or equal to the average daily demand of the system, whichever is the greater number. If commercial or industrial customers are included, additional storage shall be provided based on reasonable average day estimated water usage thereof;

(3) Hydropneumatic tank and transfer pumps:

(A) A hydropneumatic tank and transfer pump arrangement, used in tandem with the atmospheric tank, shall be sized to accommodate the peak hour demand. A minimum of two (2) transfer pumps shall be installed to operate alternately, each capable of providing water to the system at the peak hour demand rate; (B) The transfer pumps shall be installed between the atmospheric tank and the hydropneumatic tank; (C) The required gross volume of the hydropneumatic storage tank shall be calculated using the following equations:

Usable Volume = 5 minutes × largest transfer pump capacity (gpm)

Gross Volume = $\frac{100\% \text{ Usable Volume}}{\% \text{ usable volume}}$

(D) Transfer pumps shall be protected by low water level shutoff controls in the storage tank.

(4) All waterworks equipment shall be designed and installed so as to assure safe and easy access to the equipment for normal service and for repairs or replacement work.

(h) On-site Standby Power:

(1) Wherever possible, there shall be included on-site a permanently installed gasoline, propane-fueled, diesel, natural gas or oil fired generator capable of supporting at least the largest well pump, one transfer pump, any high service booster stations and all treatment systems simultaneously in the event of an electrical outage. Portable generators may be considered acceptable as an alternate to an on-site generator;

(2) Fuel storage shall be above ground, and provided with a containment area capable of holding the full volume of the fuel tank.

(i) Transmission and Distribution System:

(1) The transmission pipelines, (i.e. that pipe from the source of supply to the pumphouse or treatment facility or from the source of supply to the distribution system) from sources of supply shall be designed to deliver, in combination with related storage facilities and to the limits of the capacity of those sources of supply, the maximum requirements of that portion of the system which is dependent upon such transmission pipelines;

(2) The distribution system shall be of adequate size and design to maintain minimum normal operating pressures. Minimum distribution pipe diameter shall be 6 inches except in cul-de-sacs where the mains are not subject to being extended or as otherwise approved by the Department of Public Utility Control. If fire protection is to be provided, minimum distribution pipe diameter shall be 8 inches. All mains shall be installed in the rights-of-way of paved roadways to allow all weather access and to facilitate repairs;

(3) Normal operating pressures, including peak demand conditions in the distribution main shall be between 35 psi and 125 psi at the service connection;

(4) Where static pressures would exceed 125 psi, pressure reducing devices shall be provided on distribution mains;

(5) Insofar as practicable, the distribution system shall be designed so as to avoid dead ends in the mains. Suitable right-of-way easement control shall be provided to the proposed owner and operator and his assigns to permit future such extensions. Where a dead end line is to be used, an adequately sized blow-off shall be installed at the end of the line;

(6) Sufficient isolation valves shall be provided on water mains so that inconvenience to customers and sanitary hazards will be minimized during repairs and flushing. At intersections, valves shall be installed on all connecting mains;

(7) Customer Booster Pumps: No community water system shall be designed to furnish water service to any customer who must utilize a booster pump to pump water from the utility's water main into the customer's plumbing facilities in order to maintain a minimum 35 psi pressure service, except in extreme circumstances and when authorized by the Department of Public Utility Control. The system's gradient shall be designed to preclude this need under reasonable foreseeable conditions for the ultimate service area. Consideration shall be given both to deteriorating pipe conditions leading to increases in pressure losses in the mains and also to any potential hazard which might be created if contamination should be introduced into the system through a cross-connection when a negative pressure is induced in the water main by a customer's booster pump;

(8) Air Relief Valves: At high points in water mains where air can accumulate, provisions shall be made to remove the air by means of hydrants or air relief valves. Suitable protection measures shall be included in the design to cover situations where flooding of the manhole or chamber may occur;

(9) Air Relief Valve Piping: The open end of an air relief pipe from automatic valves shall be extended to at least one foot above grade and provided with a screened, downward-facing elbow. The pipe from a manually operated valve should be extended to the top of the pit;

(10) Chamber Drainage: Chambers, pits or manholes containing valves, blow-offs, meters, or other such appurtenances to a distribution system, shall not be connected directly to any sewer. Such chambers or pits shall be drained to the surface of the ground where they are not subject to flooding by surface water, or to absorption pits underground;

(11) When installing pipe, care must be taken to keep the pipe clean. Trenches shall be kept as free of water as is possible;

(12) When laying of pipe is interrupted overnight or for any longer period of time, the open end of the pipe shall be plugged tightly and the open trench covered with wood or steel covers;

(13) Installation and pressure testing shall incorporate the provisions of the American Water Works Association Standards and/corresponding installation procedures;

(14) A continuous and uniform bedding shall be provided in the trench for all buried pipe. Backfill material, free of detrimental substances, shall be used. That backfill material shall be tamped in layers around the pipe and to a sufficient height above the pipe to adequately support and protect the pipe. During pipe laying, stones, boulders and any other significantly detrimental materials found in the trench shall be removed for a depth of at least six inches below the bottom of the pipe;

(15) All pipe shall be provided with a minimum earth cover of 4.5 feet. When rock blasting is necessary, ample excess depth shall be provided to allow for a suitable depth of bedding material between the pipe bottom and the rock base. Where frost can be expected to occur deeper than 4.5 feet, additional pipe cover shall be provided to suit. The mains should have adequate cover over the top of

the pipe, using suitable backfill material, for protection against surface loads. For river or stream crossings where the water main may be exposed to the air, the water main shall be protected against freezing by an alternate means;

(16) Whenever possible, water and sewer lines (sanitary and storm) shall be located in separate trenches at least 10 feet apart. Where laid in the same trench, the water pipe shall be laid on a shelf at least 18 inches above the sewer pipe and at least 12 inches, but preferably 18 inches, horizontally from the side of the sewer pipe. The horizontal separating distance between a sanitary sewer manhole and a water line shall be 10 feet;

(17) Where water and sewer lines cross, a minimum vertical distance of 18 inches shall be maintained between the water and sewer line with the sewer at the lower elevation. At crossings, pipe joints shall be spaced as far from the crossing as possible;

(18) For force sewer lines there shall be no deviation from the 10 foot horizontal separation and the 18 inch vertical separation distances;

(19) When it is not possible to satisfy the requirements in paragraph (17) of this subsection above one or more of the following precautions may be approved by the Department of Health Services as acceptable alternatives:

(A) Sleeving of the sewer;

(B) Concrete encasement of the sewer;

(C) The use of a thicker-walled sewer pipe (pressure testing will be required);

(D) Concrete encasement of the water pipe;

(E) The use of thicker-walled water pipe;

(F) The design engineer may also propose other precautionary measures which will be subject to review and approval;

(20) The layout plan should provide for suitable ownership or easement control of the water supply operator to permit further extension of the piping, particularly where dead ends may occur and/or where expansion of the water system can be readily foreseen.

(j) **Materials:**

(1) Metallic and non-metallic materials may be used to construct component parts of a water system including, but not limited to, conduits, pipes, couplings, caulking materials, protective linings and coatings, services, valves, hydrants, pumps, tanks and reservoirs; provided:

(A) The materials shall have a reasonable useful service life;

(B) The material shall be capable of withstanding the internal and external forces to which it may be subjected while in service;

(C) The material shall not cause the water to become impure, unwholesome, nonpotable or unhealthful;

(D) Materials and equipment shall be designed and selected with factors of safety included and installed as to mitigate corrosion, electrolysis and deterioration. When the possibility of a near future interconnection with another utility exists, some components such as pressure tanks and compressors may be designed for limited service life;

(E) Use of non-metallic pipe shall require a suitable tracer wire for pipe location;

(F) No material shall be allowed which does not meet standards established by the American Water Works Association or other comparable standards;

(2) Specifications for materials, equipment, and testing shall be in accordance with all applicable American Water Works Association standards, the specified water utility which will eventually own the system, and the requirements of the

Department of Health Services and the Department of Public Utility Control. Such Specifications shall include the following:

(A) Proper protection shall be given to metal surfaces by paints or other protective coatings;

(B) All paints, liners or coatings proposed for use in a water supply system that will come in contact with the potable water must be approved by the Department of Health Services. Following final curing, disinfection and dissipation of the chlorine residual, water samples must be collected and tested in accordance with Section 19-13-B102 of the Regulations of Connecticut State Agencies, for hydrocarbon, organohalide, inorganic chemical, physical, and total coliform analysis from a sampling point approved by the Department of Health Services. The results of these analyses must be reviewed and approved by the Department of Health Services both at the time of initial drilling of the wells and after the design and construction stages but before using the facility;

(C) Cathodic protection, when required, must be designed and installed by competent technically qualified personnel;

(3) Upon completion of the construction of the community water supply system, the well(s), storage tank(s), and appurtenances must be disinfected, in accordance with procedures established by the Department of Health Services;

(4) Prior to acceptance and use, the design engineer shall supervise appropriate pressure testing of all piping and tanks for leakage to assure specified standards are met.

(k) Fire protection:

Whenever fire protection is required, the water system shall be designed and constructed in accordance with recommendations of the Fire Underwriter's Insurance Services Office, the Department of Public Utility Control and the specified water utility that will eventually own the water system. No fire hydrants shall be permitted unless the community water system has at least 150,000 gallons of water in atmospheric storage.

(l) Service Pipes:

(1) The size, design, material, and installations of the service pipe shall conform to the reasonable requirements of the utility that will eventually own the water system; provided, however, that the minimum size of the pipe shall be not less than $\frac{3}{4}$ -inch and that the use of non-metallic pipe shall include a suitable tracer wire for pipe location;

(2) All service pipes shall be installed below the frost line to prevent freezing;

(3) Service pipes shall not be connected to hydrant branch lines, and they shall not cross intervening properties even with the protection of easements. If fire protection to the customer's property is required, there shall be a separate service connection and separate service pipe paralleling the domestic service pipe to the customer's place of consumption;

(4) The service pipe shall be connected to a single-service corporation at the main, installed with a suitable gooseneck and be sufficiently flexible to prevent fracture from expansion or contraction. It shall be run perpendicular from the water main to the customer premises and be free from any tee, branch connection, irregularity or defect;

(5) The service pipe shall be installed with a suitable shutoff valve and curb box at the property line. There shall also be a suitable shutoff valve at the interior of the premises. In the case of service pipes dedicated for fire protection, there shall be a detector check meter installed on the pipe;

(6) No physical connection between the distribution system of a public water supply and any non-public water supply is permitted except as provided for in Section 19-13-B37 of the Regulations of Connecticut State Agencies;

(7) A separate service connection shall be required for any dwelling unit or office unit that is adaptive to individual ownership. Thus, an application for a Certificate of Public Convenience and Necessity for the following types of projects must include provisions for installing a separate service connection for each dwelling or commercial unit: residential subdivisions, including homeowners associations and municipal tax districts; cluster housing projects; duplexes; townhouses; residential and office condominiums; industrial parks; shopping centers or malls; trailer or mobile home parks; elderly housing projects and garden apartment complexes. Projects that may or may not require individual service connections, and subject to the Department of Public Utility Control's judgment, include high rise apartment complexes, multi-storied homes, commercial buildings and high rise condominiums;

(8) Each service connection shall be separately metered. The service line in each dwelling or office unit shall contain two ball valves and an American Water Works Association-certified meter adaptive to a remote reading device setting. The water utility which will eventually own the water system shall be responsible for providing the water meters to each customer premise at its own expense.

(m) Pumphouse requirements:

(1) Well pit and/or pumphouse construction shall be designed to prevent the entrance of rodents and other small animals. All facilities shall be locked and fenced and otherwise protected and secured to prevent entrance of unauthorized persons;

(2) Adequate drainage of all well houses and pits including the use of floor drains shall be provided as required in Public Health Code Regulation 19-13-B51h;

(3) Necessary electrical controls shall be installed to enable both manual and automatic operation of all pumps, motors and accessory equipment. All controls must be clearly labeled as to their function. All electrical wiring, controls and appurtenances shall be installed in conformance with the National Electrical Code;

(4) Flow meters capable of measuring totalized and instantaneous flow shall be installed to accurately measure independently each source of supply and their installation shall provide for ease of meter reading, repair and/or removal. Additional meters may be required where water treatment and/or other conditions dictate;

(5) Water treatment, when required, shall be installed in accordance with procedures established by the Department of Health Services;

(6) Smooth end (e.g. threadless chrome) sampling taps shall be installed on the discharge line of each well and at a representative point(s) off the discharge pipe(s) coming from the storage tank(s). Where treatment is used, taps before and after treatment facilities shall also be installed. Taps shall be at least 12 inches above the finished floor and any possible high water level. Taps must point downward;

(7) Suitable over and under voltage protection shall be provided on the various electrical equipment;

(8) The waterworks facilities shall be provided with suitable lighting, heat and ventilation. If necessary, a dehumidifier shall be used during summer operations;

(9) The pumphouse, wells and other plant facilities should be accessible to the various maintenance vehicles.

(Effective September 25, 1987)

Sec. 16-262m-9. Financial, managerial, and technical qualifications criteria

(a) If the Department of Public Utility Control and Department of Health Services determined that a main extension is not feasible or no utility is willing to extend

such main, and that no existing regulated public service or municipal utility or regional water authority is willing to own, operate and maintain the final constructed water supply facilities as a non-connected, satellite system, and if it is not feasible to install private individual wells, the applicant may continue forward with the application by satisfactorily providing the following additional information:

(1) A description of the applicant's business organization along with certified copies of the executed documents or any authority granted pursuant to Section 2-20a of the General Statutes of Connecticut;

(2) Certified copy of most current 12-month balance sheet and income statement of proposed owner of water system including a statement of current assets and liabilities;

(3) A copy of most current income tax return of proposed owner of water system;

(4) Indicated source of financial resources that would be used to fund the daily operations and any needed future capital improvements;

(5) Describe the financial ability of the proposed owner of the water system to provide a continuous, adequate and pure supply of water in routine and emergency situations including a pro forma cash flow statement for one year starting immediately after construction is completed;

(6) Describe the annual budget formulation process;

(7) Indicate the name, address, and qualifications of person/company who will be responsible for the budget preparation and administration;

(8) Describe the controls that will be in place to keep operations within budget and the sanctions or consequences that there will be for budget overruns;

(9) Indicate the name and address of person responsible for filing tax returns and annual audit reports;

(10) Indicate the name and address of person(s)/company(s) who will be responsible for routine operations including maintenance, customers billing and collections, repairs, emergency service and daily management;

(11) Describe the planning process to be implemented and assignment of responsibilities to provide for future needs of the customers including a program for routine system maintenance and the increase of future supplies as may be necessary;

(12) Describe the technical background and experience of the proposed operator including any membership in professional water industry organizations;

(13) Furnish a signed agreement or contract under which the proposed operator will serve, including guarantees of continuous long-term operation;

(14) Indicate the name and address of person/company who will manage the water system if different from operator;

(15) If there will be a business manager, in addition to the operator, describe his or her qualifications;

(16) Describe the governing board, its background in utility business governance and the decision making process of the management entity;

(17) List items which the operator will be responsible for and those which the manager will be responsible for;

(18) A plan for conducting cross-connection investigations including identification of the personnel capable of conducting cross-connection inspections;

(19) A plan (including the procedures, methods, schedule and location) for conducting required sampling, testing and reporting regarding: (A) water quality testing; (B) pressure testing; (C) production metering; (D) customer meter testing; (E) ground water monitoring pursuant to Section 19-13-B102 (n) of the Regulations of Connecticut State Agencies;

(20) A plan for maintenance of the system;

(21) A plan for the maintenance of required records including at least:

(A) service area maps; (B) water quality, pressure, metering and other tests; (C) emergency procedures; (D) metering; (E) energy use; (F) chemical use; (G) water levels; (H) production and consumption; (I) customer complaints; (J) non-revenue water; (K) all financial records;

(22) A plan for operator safety;

(23) A plan for leak detection;

(24) A plan for long range conservation including supply and demand management practices;

(25) A plan for action and proper notification of authorities in the event of an emergency;

(A) As used above, "emergency" means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, midslide, snowstorm, drought or fire, explosion, electrical outage, toxic spill or attack or series of attacks by an enemy of the United States causing, or which may cause, substantial damage or injury to civilian property or persons in the United States in any manner by sabotage or by the use of bombs, shellfire or atomic, radiological, chemical, bacteriological or biological means or other weapons or processes.

(26) Estimated itemized cost of water facilities to be constructed or expanded.

(b) In addition to the above requirements, the Department of Public Utility Control shall be furnished the proposed owner's plans for the following:

(1) Preparation of adequate rules and regulations for providing water service, including termination of customers for non-payment of bills;

(2) Preparation and administration of a proper metered rate schedule and the rates themselves;

(3) A procedure for handling customer complaints;

(4) A procedure for meter reading and accurate billing of customers;

(5) A listing in the local telephone directory of an emergency and general inquiry telephone number for the customers.

(Effective September 25, 1987)

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Rate Surcharges for Water Company Acquisitions

Sec. 16-262o-1. Definitions

For purposes of Sections 16-262o-2 through 16-262o-8 of the regulations:

(a) “Department” shall mean the Department of Public Utility Control.

(b) “Water Company” shall include every corporation, company, association, joint stock association, partnership, municipality, other entity or person, or lessee thereof, owning, leasing, maintaining, operating, managing or controlling any pond, lake, reservoir, stream, well or distributing plant or system employed for the purpose of supplying water to not less than fifteen service connections or twenty-five persons nor more than two hundred fifty service connections or one thousand persons on a regular basis.

(c) “Acquiring Water Company” shall mean the private entity determined by the Department of Public Utility Control, in consultation with the Department of Health Services, to be most suitable to acquire a water company pursuant to Section 16-262n and subsection (a) of Section 16-262o of the General Statutes of Connecticut.

(d) “Acquired Water Company” shall mean a water company that the Department of Public Utility Control determines, in consultation with the Department of Health Services pursuant to Section 16-262n and subsection (a) of Section 16-262o of the General Statutes of Connecticut, should or must be acquired by a private entity to assure the availability and potability of water and the provision of water at adequate volume and pressure to the persons served by the water company.

(e) “Acquisition Costs” shall include the amount of compensation for acquisition pursuant to Section 16-262q of the General Statutes of Connecticut, any administrative costs, legal expenses, any maintenance and repair costs expended prior to the date of transfer, and liabilities assumed, related to the acquisition of the acquired water company, and shall not include the original cost of the utility plant less accumulated depreciation.

(f) “Needed Improvements” shall mean the capital improvements necessary to rehabilitate the acquired water company’s system, pursuant to orders in the proceeding in which acquisition of the acquired water company is ordered by the Department of Public Utility Control, in consultation with the Department of Health Services.

(g) “Rate Surcharge” shall mean an amount, determined by the Department, applied to the rates of the customers of the acquired water company or of the customers of both the acquiring water company and the acquired water company, as determined by the department, that would recover on a current basis the revenues necessary to provide a net after-tax return on acquisition costs and expenditures for needed improvements at a rate of return equivalent to that authorized for the acquiring water company in its last general rate proceeding. A rate surcharge may be revised on a quarterly basis pursuant to subsection (b) of Section 16-262o-6 of these Regulations.

(h) “Current Basis” shall mean the time periods provided for surcharge applications in section 16-262o-6 of these regulations.

(i) “Purchase Price” shall mean, for the purpose of acquisitions ordered pursuant to Section 16-262n and subsection (a) of Section 16-262o of the General Statutes of Connecticut, and of the Uniform System of Accounts, as codified in Sections 16-27-4, 16-27-5, and 16-27-6 of the Regulations of Connecticut State Agencies, the amount of compensation for the acquired water company determined in accordance with Section 16-262q of the General Statutes of Connecticut, less the difference

between the assets and the liabilities per the books of the acquired water company, and less the sum of the administrative costs, legal expenses, and maintenance and repair costs expended prior to the date of transfer, related to the acquisition of the acquired water company.

(j) "Efficiency of Construction" shall include, for the purpose of determining whether any expenditures for needed improvements should be disallowed pursuant to subsection (g) of Section 16-262o-3 of these Regulations, the use of planned construction schedules, programmed budgeting, and an allowance for lead-lag times in the letting out of bids, and in the awarding of construction contracts.

(Effective March 22, 1990)

Sec. 16-262o-2. Surcharge to encourage acquisition

The Department may, in the case of any proposed acquisition of a water company, after providing notice of a hearing pursuant to Section 16-262n of the General Statutes of Connecticut, permit the acquiring water company to implement a rate surcharge to encourage and facilitate such acquisition.

(Effective March 22, 1990)

Sec. 16-262o-3. Surcharge to be permitted if acquisition ordered

(a) In the case of any proposed acquisition of a water company, if the Department orders such acquisition after providing notice of a hearing pursuant to Section 16-262n of the General Statutes of Connecticut, the Department shall permit the acquiring water company to implement a rate surcharge.

(b) Any rate surcharge and any revision of a rate surcharge shall be subject to the approval of the Department.

(c) Such surcharge shall be implemented and revised on a calendar quarterly basis.

(d) Only actual expenditures shall be included on a quarterly basis.

(e) The surcharge to be allowed shall be based on 100% of the acquisition costs, and 90% of the amount of construction expenditures for needed improvements as of the last date of the particular quarterly period, as confirmed on project work orders.

(f) The rate of return used in computing the surcharge shall be the same as that allowed in the last rate case of the acquiring company computed on a simple interest basis and not compounded or, if the rates of the acquiring company are set by the Department other than on the basis of rate base, the surcharge may be computed using the method employed by the Department in the last rate case of the acquiring water company, and the surcharge shall include a specific revenue adjustment to offset applicable state and federal taxes payable on the revenues collected pursuant to the surcharge.

(g) Ten (10) percent of the quarterly construction expenditures, and an amount calculated to provide a return on the construction expenditures at a rate of return equivalent to that authorized for the acquiring water company in its last general rate proceeding, shall be retained in "allowance for funds used during construction" (AFUDC), and the entire project shall be reviewed for efficiency of construction at the time the needed improvements are entered into service as being used and useful and any expenses resulting from inefficiency shall be disallowed for regulatory purposes.

(h) The rate surcharge arising from acquisition costs and inclusion of needed improvements in rate base shall be allocated across the board on a rate structure basis and shall appear as a separate item on the customer's bill until the acquisition costs and needed improvements are included in rate base.

(Effective March 22, 1990)

Sec. 16-262o-4. Application required; filing requirements

(a) Any acquiring water company which incurs acquisition costs, or which incurs expenditures for needed improvements, may apply to the Department for approval of a rate surcharge to customers based on the foregoing policy. The requirements set out in this section shall apply to proceedings and applications of acquiring water companies for an increase in rates based upon such a surcharge.

(b) The application shall include evidence of compliance with orders concerning needed improvements issued by the Department in the proceeding in which acquisition of the acquired water company is ordered by the Department of Public Utility Control, in consultation with the Department of Health Services; evidence that acquisition of the acquired water company precipitated the construction of any needed improvements; and evidence, preferably in the form of an engineering analysis, that the acquiring water company has selected the least costly solutions and that efficient and adequate engineering standards have been applied to the design specifications, except that an engineering analysis shall not be required to the extent that engineering work related to needed improvements is approved by the Department in the proceeding in which acquisition of the acquired water company is ordered.

(c) No application for the actual implementation of any rate surcharge with respect to expenditures for needed improvements shall be accepted, and no such surcharge shall be permitted to be collected, until the primary needed improvements project has been let, started and is progressing to the point of onsite contractor and crew set-up, and full construction has begun on major elements of the subject facility.

(d) An application for a surcharge with respect to acquisition costs may be filed as of the date that the acquisition has taken place, as determined by the Department in the proceeding in which the acquisition was ordered.

(Effective March 22, 1990)

Sec. 16-262o-5. Components of application

(a) Any acquiring water company applying for a rate surcharge shall submit to the Department the following:

(1) If not previously submitted, the documentation and evidence listed in Section 16-262o-4.

(2) A complete description of and supporting documentation for any acquisition costs to be recovered by the surcharge.

(3) Details of the results of open bidding on each component of the needed improvements and final bid prices and the basis for selection of the contractor(s); open bidding on each component of the needed improvements is encouraged, and shall be required for any component exceeding \$50,000.00 in actual construction costs, exclusive of the effects of federal and state taxes, unless the work is performed by the acquiring water company.

(4) For work performed by the acquiring water company, copies of invoices and other documentation, including time records, for actual expenditures on needed improvements.

(5) A complete description of the needed improvements, broken down by appropriate elements of work and cost, to permit demonstration of the percentage of completion as the work progresses; the description of the needed improvements shall be updated in each quarterly period when a revision in the amount of the surcharge is requested, including any additional work performed, the basis for the additional work, and associated costs, separately described for the applicable quarterly period or periods.

(6) A construction schedule for the entire project indicating appropriate construction phases, including a graphic representation of each component of each phase, with estimated start and completion dates for each phase as available.

(7) A summary of construction expenditures covering the applied for quarterly period as shown on the project work order or orders, and broken down into corresponding job element or elements of the construction schedule.

(8) A letter from the acquiring water company's independent accountant which states that the additions to the plant account during the affected quarterly period have been reviewed and found to be in accordance with the applicable uniform system of accounts.

(9) The computation of the total amount of the surcharge showing 100% of the acquisition costs and 90% of the amount shown in subdivisions (7) and (8) above, the rate of return allowed in the applicant company's most recent rate case, or, if the rates of the acquiring company are set by the Department other than on the basis of rate base, a computation using the method employed by the Department in the last rate case of the acquiring water company, and the appropriate revenue adjustments for state and federal taxes.

(10) The schedule of charges arising from the inclusion of acquisition costs and needed improvements in the rate base as allocated across the board on a rate structure basis, including a full explanation of the basis for allocation between classes of customers, with any background work papers used.

(b) The data and information required in subdivisions (1) and (2) of subsection (a) of this Section need be filed only with the initial filing for each needed improvement when plans are finalized.

(Effective March 22, 1990)

Sec. 16-262o-6. Time periods for initial application; decision; surcharge revision

(a) Any acquiring water company initially applying for a rate surcharge shall submit to the Department all documentation and evidence required in Section 16-262o-5 no later than the 25th day of the month following the end of the calendar quarter, or quarters, in which acquisition costs or expenditures for needed improvements are incurred. The Department shall hold a public hearing with respect to such application within 30 days of the filing date of the application and shall issue a decision on such application on or before the 80th day after the end of such calendar quarter unless the Department shall have notified the acquiring water company that the company has failed to comply with the filing requirements contained in these Regulations, including Section 16-262o-5, or that the Department otherwise requires a modification of the proposed surcharge.

(b) After initial implementation of a surcharge, any acquiring water company applying for a change in the rate surcharge with respect to any calendar quarter thereafter shall file with the Department, on or before the 25th day of the month immediately following the end of the calendar quarter, or quarters, in which acquisition costs or expenditures for needed improvements are incurred, all documentation and evidence described in Section 16-262o-5. The Department shall hold a public hearing, which shall encompass all prior quarterly proceedings concerning the rate surcharge imposed related to the acquisition of the acquired company, within 45 days of the end of such quarter. The Department shall issue a decision on or before the 80th day after the end of such calendar quarter unless prior to such date the Department shall have notified the acquiring water company that the company has

failed to comply with the filing requirements contained in these Regulations, including Section 16-262o-5, or that the Department otherwise requires a modification of the proposed surcharge.

(c) To the extent not specifically required by the provisions of Sections 16-262o-1 through 16-262o-8, the requirements of Sections 16-1-45 through 16-1-59B of the Regulations of Connecticut State Agencies shall not be applicable to applications and proceedings pursuant to this Section.

(Effective March 22, 1990)

Sec. 16-262o-7. Recovery of investment related to acquisition

A rate surcharge implemented pursuant to Sections 16-262o-2 or 16-262o-3 of these Regulations may be designed to recover one hundred per cent of the revenues necessary to provide a net after-tax return on investment actually made in the acquisition and improvement of the acquired water company, at a rate of return equivalent to that authorized for the acquiring water company in its last general rate case pursuant to Section 16-19 of the General Statutes of Connecticut, or, if the rates of the acquiring company are set by the Department other than on the basis of rate base, the surcharge may be computed using the method employed by the Department in the last rate case of the acquiring water company.

(Effective March 22, 1990)

Sec. 16-262o-8. Distinction between purchase price and acquisition costs

The definition provided in subsection (i) of Section 16-262o-1 of these Regulations is intended to distinguish between "Purchase Price" and "Acquisitions Costs," as defined in subsection (e) of Section 16-262o-1, for the purpose of accounting for an acquisition ordered by the Department of Public Utility Control, in consultation with the Department of Health Services, pursuant to Section 16-262n and subsection (a) of Section 16-262o of the General Statutes of Connecticut, by the acquiring water company, and may be employed by the Department in future proceedings pursuant to Section 16-262n and subsection (a) of Section 16-262o of the General Statutes of Connecticut.

(Effective March 22, 1990)

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Natural Gas Pipe Line Companies

Part I

Definitions

Sec. 16-271-1. Definitions

As used in these regulations, “company” includes every corporation organized under the laws of this state, or of any other state, or of the United States, which holds a certificate of public convenience and necessity issued under the provisions of the Federal Natural Gas Act, approved June 21, 1938, as it now reads, or may hereafter be amended, for the purpose of constructing and operating a natural gas pipe line in this state; “commission” means the public utilities commission of the state of Connecticut; “standard code” means the latest edition of the American Standard Code for pressure piping promulgated by the American Standards Association of New York. All terms used herein shall have meanings as defined in the standard code; “gas pipe line” means any gas pipe line which is subjected to, or is intended to be subjected to, an internal gas pressure in excess of two hundred pounds per square inch above atmospheric pressure.

Part II

Design

Sec. 16-271-2. Compliance with standard code

All gas pipe lines shall be constructed in compliance with all applicable provisions of the standard code, except as said code is supplemented by these regulations.

Sec. 16-271-3. Construction of pipe lines

(a) Unless the standard code requires a more stringent type of construction, Type C construction shall apply to such sections as, at the time of construction, are within the limits of a city or borough, are under public highways or railroads or are within five hundred feet of any of the following:

- (1) A place of residence;
- (2) a building used for public gatherings;
- (3) a school building, playground or building devoted to institutional uses, or
- (4) a building devoted to a business in which more than three people are employed.

(b) A section of gas pipe line may be constructed in accordance with Type A or B of the standard code if permission of the commission is first obtained. Application to the commission for use of Type A or B standards shall be made by the company at least thirty days prior to construction which application shall provide information including maps and/or aerial photographs which will permit determination in the field of the location of the proposed pipe line to which Type A or B standards are to be applied.

Sec. 16-271-4. Proximity to buildings

Gas pipe lines shall not be installed within *ten* feet of *any* building intended for human occupancy * * *. *Upon approval of the commission, such pipe lines may be installed between ten feet and forty feet of such buildings, provided construction shall be in accordance with Type D, Class four of the Standard Code.*

(Effective June 4, 1963)

Sec. 16-271-5. Easements and rights-of-way

All companies shall prohibit construction of facilities, including but not restricted to buildings, structures, roads and other facilities for motor vehicles, within their easements or rights-of-way, which might in any way interfere with the safe operation of the pipe line. All companies shall immediately notify the commission in writing of proposed structures which to their knowledge are to be constructed within forty feet on either side of the pipe line and of proposed roads or other facilities for motor vehicles to be constructed within, over or across their easements.

Sec. 16-271-6. Crossings and parallels

A gas pipe line shall not be laid under a railroad or highway or other facilities traversed by motor vehicles except as provided as follows:

(1) At railroad crossings, the pipe shall be enclosed in a casing which meets the minimum requirements and specifications of the latest edition of the American Petroleum Institute Code pertaining to "Pipe Line Crossings Under Railroad Tracks." Such crossings shall be made as nearly as practicable at an angle of 90° to the center line of the railroad.

(2) At highway crossings, the pipe shall be enclosed in a casing constructed in the same manner as required in subdivision (1) above, except that the minimum distance from the top of the casing to the traveled surface of the road shall be not less than three feet six inches and the casing shall extend to a point not less than fifteen feet beyond the edge of the pavement or the traveled surface or to the line of the right-of-way, whichever is the lesser. Such crossings shall be made as nearly as practicable at an angle of 90° to the center line of the highway.

(3) In the case of facilities for motor vehicles, including parking and truck servicing areas, the top of the pipe shall be not less than three feet from the traveled surface and the ditch underneath, around and over the pipe shall be backfilled with well compacted material free from rocks or boulders.

(4) In the case of private driveways used only for residential purposes, the top of the pipe shall be not less than two feet six inches from the traveled surface and the trench shall be filled as set forth in subdivision (3) of this regulation.

(5) When a new road is constructed over a pipe line that is intended to be accepted by a town as a public highway, such pipe line shall meet the requirements of subdivision (2) above.

(6) When an existing public highway is widened, the casing shall be extended so that it meets the requirements of subdivision (2) above.

(7) A pipe line shall not be laid under the traveled paved portion of a public highway, except where it crosses, unless special permission of the commission is first obtained.

Sec. 16-271-7. Sectionalizing valves

Sectionalizing valves (block valves) shall be installed and maintained at strategic points on the pipe lines system at an average of not less than one valve for each five miles of pipe line in Class 4 locations and one valve for each eight miles in Class 1, 2 or 3 locations with due regard to accessibility and the possible necessity for limiting a discharge of gas in the event of failure or an emergency. Such valves shall be protected from damage and tampering. In all installations, an operating device such as a suitable handwheel or wrench to open or close the valve shall be readily accessible to authorized persons.

Sec. 16-271-8. Automatic valves

Not less than fifty per cent of the sectionalizing valves which are sixteen inches or larger in nominal size shall be either continuously attended or shall be provided with automatic devices which close the valve in the event of a pipe line rupture. At large river crossings or other areas where the pipe line is exposed to extreme hazards, such automatic valves shall be installed at each side of the zone of hazard at the nearest accessible and safe point.

Sec. 16-271-9. Blow-down valves

Blow-down valves or pressure relieving devices shall be installed so that each section of pipe line between valves can be blown down. Such devices shall not be installed where the released gas pressure will present a hazard to nearby property or persons. Manually operated blow-down valves shall not be operated at such times and in such manner as to present a hazard to nearby property or persons.

Sec. 16-271-10. Attachment to bridges

Complete plans and specifications for attachment of pipe lines to bridges shall be filed with the commission not less than thirty days before the commencement of construction or installation.

Sec. 16-271-11. Assemblies, bends, connections

Prefabricated or welded assemblies, bends or connections shall be tested in accordance with the requirements of the standard code prior to being placed in service. such units may be tested at the factory, provided an appropriate certificate is furnished.

Part III**Construction****Sec. 16-271-12. Inspection**

Storage of pipe and its handling shall be such as to assure that the pipe installed will be free of nicks or other forms of damage which would tend to produce a concentration of stresses or otherwise reduce the strength of the pipe below the requirements for acceptability at the mill.

Sec. 16-271-13. Minimum cover

Main carrier pipe shall be laid and maintained at least twenty-four inches below the surface of the soil. Where there is interference with other subsurface structures, the pipe shall be laid a distance of not less than twelve inches away from such structures. Any interfering structure which provides a space in which an explosive atmosphere might accumulate in the event of a leak shall be avoided where possible and preference shall be given to crossing over rather than under such structures. A metallic protective shield of a thickness at least as great as the pipe shall be provided or the pipe shall be cased in the event of such a crossing.

Sec. 16-271-14. Protective coating

All pipe lines shall be coated with a corrosion protective material free of flaws. This coating shall be tested after a section of main is back-filled and shall have an electrical resistance of not less than fifty ohms per one thousand square feet of coated pipe surface exposed to the earth. Means shall be provided to protect the pipe and its coating against damage before and during back-filling.

Sec. 16-271-15. Welding

All welds on pipe lines shall be made in accordance with specifications of the latest edition of the API Standard, "A Standard for Field Welding of Pipe Lines," which at least embodies the minimum requirements of the standard code.

Sec. 16-271-16. Back-filling

The ditch underneath, around and over the pipe shall be back-filled with material free from large rocks or boulders. If such material is not available, a protective shield to prevent damage to the coating shall be used.

Sec. 16-271-17. Final pressure tests

The commission shall be notified at least twelve hours prior to the commencement of any pressure test of a gas pipe line. Such pressure tests shall be of at least twelve hours' duration except when the test is hydrostatic, in which case it shall not be less than four hours. Prior to the test of pipe lines, appropriate town officials shall be notified where and when such tests are to be made in order that adequate and proper police protection may be provided. A section of pipe line shall be tested hydrostatically or with air or an inert gas in accordance with the testing requirements and procedures set forth in the standard code prior to placing such section of pipe line into service.

Sec. 16-271-18. Purging

Air shall be purged from pipe lines by displacement with an inert gas before a combustible gas is admitted. At no time shall an explosive mixture be allowed to form in the pipe line.

Sec. 16-271-19. Leak tests

Suitable tests shall be made on pipe lines to insure that they are free of leaks before combustible gas pressure is put in them. An acceptable hydrostatic test shall constitute a satisfactory leak test.

Sec. 16-271-20. Inspection and test of welds

The quality of welds and welder qualifications shall be checked by radiographic examination in accordance with the procedures set forth in the latest edition of API Standard, "Standard for Field Welding of Pipe Lines," or by complete removal of welds which shall meet the testing requirements outlined in the above welder qualification procedure and meet the requirements of the standard code. Not less than ten per cent of the welds between any two sectionalizing valves (block valves) shall be examined, the selection of which shall be in a manner that assures a representative sample of the work done by various welders or welding crews.

Sec. 16-271-21. Certification

Within thirty days subsequent to the construction or major reconstruction of any of its pipe line facilities, every company shall certify to the commission that the pipe line has been tested and meets the requirements of the standard code and regulations prescribed by the commission for the stated maximum service pressure at which it will be operated. The certification shall also state (1) pressure at which the lines were tested, (2) computations of maximum allowable working pressure in accordance with the provisions of the standard code and (3), in the event of air or inert gas tests, measurements of leakage obtained by the testing.

Part IV

Compressor Stations

Sec. 16-271-22. Locations

No compressor station to be located on any gas pipe line shall be constructed in any area zoned for residential use or in any area otherwise restricted by zoning regulations. In other areas, the distance between any compressor station, designed to operate at pressures in excess of two hundred fifty psig, and any building intended for human occupancy and not under the control of the gas company shall not be less than five hundred feet, except for compressor stations having an installed capacity of less than one thousand horsepower, in which case such distance shall not be less than two hundred fifty feet.

Sec. 16-271-23. Piping

All piping in compressor stations shall be installed in accordance with the applicable provisions of the standard code for Type C Class 3 locations unless conditions require Type D Class 4 construction.

Sec. 16-271-24. Relief valves

Automatic pressure relief devices shall be of sufficient capacity and sensitivity to assure that the maximum allowable working pressure of any piping or equipment shall not be exceeded. Suitable provisions shall be made to exhaust the gas in a safe manner. Tests and inspections shall be made with reasonable frequency to assure continued sensitivity of these devices.

Sec. 16-271-25. Safety shut-down

Each compressor station operating at pressures in excess of two hundred psig shall be provided with a manually actuated automatic device which will allow the station to be shut down from a point outside the building.

Sec. 16-271-26. Fire prevention

All inflammable or combustible materials shall be stored in a separate structure built of noncombustible materials, located a safe distance from the compressor building. All electric wiring, fixtures, and devices within compressor buildings shall be designed and installed in accordance with the latest edition of the National Electrical Code and shall meet the requirements thereof for Class 1 locations. Gas engine crankcases shall be vented to the outside atmosphere; the vent shall be of a size not smaller than the connection provided by the compressor manufacturer. Warning signs adequate to indicate the danger involved shall be placed in conspicuous locations around the compressor station area.

Part V

Meter and Regulator Stations

Sec. 16-271-27. Piping

All piping in meter and regulator stations shall be in accordance with the requirements of the standard code for Type C Class 3 locations unless conditions require Type D Class 4 construction.

Sec. 16-271-28. Electric installations

All electric wiring, fixtures and devices in meter and regulator station buildings shall be designed and installed in accordance with the latest edition of the National Electrical Code and shall meet the requirements thereof for Class I locations.

Sec. 16-271-29. Ventilation

Meter and regulator station buildings shall be provided with natural draft ventilating devices sufficient to accomplish at least five changes of air in the building per hour.

Part VI

Operation and Maintenance

Sec. 16-271-30. Maximum pressure

At no time shall the gas pressure in any pipe line exceed the maximum service pressure for which it was certified to the commission. If pressure tests are required after a line has been in operation, the commission shall be notified at least twelve hours before test pressures are applied except where necessity for maintaining continuity of service may require notice in a shorter time.

Sec. 16-271-31. Exposed facilities

Any pipe line facility which protrudes above the ground shall be conspicuously marked or fenced, or otherwise protected against damage and tampering.

Sec. 16-271-32. Corrosion control

Adequate cathodic protection shall be provided for underground ferrous materials considering the adequacy of the coating, the condition of the soil, proximity of other metallic structures and other relevant factors. The pipe line will be considered to have adequate cathodic protection if the electrical potential is reduced by the protective current to a level eighty-five hundredths of a volt below the potential of the soil, or a change of 0.25 volts in a negative direction, measured with respect to a standard copper sulphate half-cell.

Sec. 16-271-33. Odorization

All combustible gases transported or distributed by pipe line shall have a distinctive odor of sufficient intensity so that a concentration of one-half of one per cent of the gas in the air is readily perceptible to the normal or average olfactory senses of a person coming from fresh uncontaminated air into a closed room containing one part of the gas in one hundred ninety-nine parts of air. Whenever necessary to maintain this level of intensity, a suitable odorant shall be added in accordance with the following specifications:

(1) The odorant shall be harmless to humans, nontoxic and noncorrosive to steel, iron, brass, copper and leather. It shall not be soluble in water to an extent greater than two and one-half parts by weight of the odorant to one hundred parts by weight of water;

(2) The products of combustion from the odorant shall be nontoxic to a person breathing air containing these products of combustion and shall not be corrosive or harmful to materials which normally would be exposed to such products of combustion;

(3) Equipment for introduction of the odorant into the gas shall be so designed and so built as to avoid wide variation in the level of odor in the gas. The equipment

and facilities for handling the odorant shall be located where the escape of odorant would not be a nuisance. Every company shall keep the commission informed of the type of odorant used, the ratio of odorant to gas and the location of the odorization stations.

Sec. 16-271-34. Accidents

All companies shall use every effort to properly warn and protect the public from danger and shall exercise all possible care to reduce the hazard to which employees, customers and others may be subjected by reason of its equipment and facilities. Every company shall promptly report to the commission all accidents involving public safety or attended with personal injury and assist the commission in examining into the causes of and the circumstances connected with such accidents.

Part VII**Records, Complaints and Service Interruptions****Sec. 16-271-35. Records**

Every company shall file with the commission a monthly report setting forth the maximum operating pressure in the company's pipe line system, indicating the location, date and time of day such pressures occurred. Every company shall keep and make available to the commission pressure records at each point of metering.

Sec. 16-271-36. Complaints

Every company shall make prompt and full investigation of each complaint made to it, either at its office or in writing, and it shall keep a record of substantial complaints by municipal officers and property owners, which shall show the name and address of the complainant, the date and nature of the complaint and the adjustment or disposal thereof.

Sec. 16-271-37. Service interruptions

Interruptions to the service furnished by any company, caused by the failure of any portion of its plant or equipment, shall be promptly reported to the commission, followed by a written report detailing the cause of the interruption and steps taken to prevent any recurrences.

Sec. 16-271-38. Notification

Every company operating a gas pipe line in this state shall file, with the commission and all towns and municipalities within which such gas pipe lines are located, the title, address and telephone number of responsible officials of such gas company who may be contacted in the event of an emergency. In the event of any changes, immediate notification thereof shall be given to the commission and such towns and municipalities.

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MOTOR CARRIERS

A

Revocation of Permits and Certificates for Nonoperation by Motor Common Carriers or Contract Carriers

Sec. 16-304-A1. Provision of services

Every holder of a motor common carrier certificate or a motor contract carrier permit shall provide all the services it is authorized to perform with reasonable frequency and continuity.

Sec. 16-304-A2. Cessation of service

No motor common or contract carrier shall cease to supply the services authorized in its certificate or permit for a substantial period without commission approval, which will be granted only upon a showing by the carrier that circumstances beyond its control require cessation of operations. Any unauthorized cessation of operations shall be at the carrier's risk.

Sec. 16-304-A3. Revocation of authority

Violations of these regulations may be sufficient cause for revocation of the operating authority involved.

Sec. 16-304-A4. Transfer of operating rights

Transfer of operating rights under which operations are not being conducted will be approved by the commission only if the commission has approved cessation of operations or upon a showing that the cessation of operations was caused by circumstances over which the holder of the certificate or permit had no control.

B

Transportation of Property for Hire by Dump Trucks

Sec. 16-304-B1. Permit or certificate required

No person shall engage in the transportation for hire by dump truck of excavated and batched materials unless he is the holder of a permit or certificate issued to him under and in accordance with the provisions of chapter 285 of the general statutes.

Sec. 16-304-B2. Rate schedule to be filed

Each holder of a certificate or permit authorizing the transportation for hire by dump truck of excavated and batched materials shall file with the commission a schedule of hourly rates.

C

Filing of Tariffs of Rates, Charges and Classification Ratings by Motor Common Carriers

Part I

Definitions

Sec. 16-304-C1. Definitions

When used in these regulations, the following words and phrases shall have the meaning herein allocated to them:

(1) "Tariff" means a publication stating the rates and charges of a motor common carrier, and all rules which the carrier applies in connection therewith.

(2) "Supplement" means a publication containing changes, additions to or cancellations of rates, charges, classification ratings or rules shown in the tariff to which it applies.

(3) "Local rate" means a rate between points on and over the authorized line or routes of one carrier only. The tariff containing such rates is a "local tariff."

(4) "Joint rate" means a rate between points on and over the authorized lines or routes of two or more carriers made by arrangement or agreement between such carriers and evidenced by concurrence or power of attorney. The tariff containing such rates is a "joint tariff."

(5) "Commission" means the public utilities commission.

(6) "Commodity rate" means a rate applicable to a specific article or articles described in the tariff in which the rate is published. The tariff containing such rates is a "commodity tariff."

(7) "Class rate" means a rate based upon the classification of articles as shown in the classification. The tariff containing such rates is a "class rate tariff."

(8) "Classification" means a tariff giving a list of articles transported segregated into classes taking different ratings, and all rules which the carrier applies in connection therewith.

Part II

Compilation and Filing of Tariffs

Sec. 16-304-C2. Specifications

Each tariff or supplement thereto shall be of size eight by eleven inches or eight and one-half by eleven inches, with a margin clear of any printing not less than five-eighths of an inch wide at the binding edge, which shall be at the left side. It shall be legible, on paper of good quality, and in type of a size not less than 8 point, except that 6 point type may be used for explanation of reference marks and for column headings. It shall be printed, mimeographed, or reproduced by other similar durable process. In no case shall a tariff or supplement be typewritten. No alteration in writing or erasure shall be made in any tariff or supplement.

Sec. 16-304-C3. Filing and posting

Unless otherwise authorized by the commission, each tariff and supplement shall be filed and posted at least thirty days prior to its effective date, the thirty days to run from the date it is received by the commission. Carriers or their agents shall transmit to the commission two copies of each tariff, supplement or revised page accompanied by a letter of transmittal.

Sec. 16-304-C4. Minimum period prior to change or cancellation

Each tariff filed with the commission shall remain in force for a period of at least thirty days before being changed or canceled, unless otherwise authorized by the commission.

Sec. 16-304-C5. Notice of proposed change

Carriers desiring to change tariffs on less than thirty days' notice shall make a written application to the commission setting forth the circumstances and conditions which are relied upon as justifying the application. The application should state the change in rate and the names of carriers in competition with the applicant.

Part III

Arrangement of Title Page

Sec. 16-304-C6. Numbering

(a) The upper right hand corner of the title page of each tariff shall be consecutively numbered "Conn. PUC-MF No. ____," beginning with number one (No. 1). If the tariff is cancelling another tariff, indicate such cancellation and place the Conn. PUC-MF number of the cancelled tariff or tariffs immediately under the designation of the new tariff.

(b) Each supplement to a tariff shall be consecutively numbered beginning with number one (No. 1). This supplement number, the tariff number and the number of the supplement canceled thereby, if any, shall be shown on consecutive lines in the upper right hand corner of the supplement; also at the top of each supplement shall be a statement of the supplements remaining in effect.

Sec. 16-304-C7. Contents of title page

(a) The carrier's certificate number shall be shown at the upper left of the title page.

(b) The carrier's name, which shall be exactly the same as it appears in the carrier's certificate, shall be shown in the upper center portion of the title page.

(c) Give a brief description of the tariff or supplement, and the territory within which, or the points from and to or between which, the tariff applies. state whether the tariff contains local or joint rates, or both.

(d) Designate the governing classification or other tariffs, if any.

(e) Give the date of issue and date effective.

(f) The name, title and business address of the individual, officer or agent by whom the tariff or supplement is issued shall be shown near the bottom of the page.

Part IV

Arrangement of Tariff Following Title Page

Sec. 16-304-C8. Table of contents

Make a table of contents, arranging the subjects in alphabetical order and giving the number of the page on which each may be found. If a tariff contains so small a volume of matter that its title page or interior arrangement plainly discloses its contents, the table of contents may be omitted.

Sec. 16-304-C9. Explanation of symbols

List all abbreviations, symbols and reference marks used in the tariff with an explanation of each, except that a special provision applying to a particular rate may be shown in connection with and on the same page with such rate.

Sec. 16-304-C10. Rules; publication and provisions

(a) All rules and regulations to be applied in connection with the use of the tariff shall be shown unless they are published in a governing tariff or classification to which proper reference is made.

(b) In addition to explaining the conditions under which the tariff rates or charges are applicable, such rules shall contain provisions for all accessorial (other than actual transportation) services with a clear statement of fees or charges to be assessed therefor, and if C.O.D. (collection on delivery) service is offered there shall be set

forth a definite time limit not to exceed ten days within which C.O.D. funds will be remitted to the shipper or other party designated in writing by the shipper to receive such funds.

(c) There shall be included a rule describing the commodities and territory covered by the tariff, showing limitations or restrictions named in the carrier's operating certificate as they may be related to the contents of the tariff. This rule may be omitted if the description on the title page, in accordance with section 16-304-C7 (c), adequately indicates such provisions.

Sec. 16-304-C11. Class rates

In a tariff containing class rates, show a list of points from and to or between which rates apply with an indication, if required, of the rate basis or group to which each point is subject. Show in table form all rates stated in cents or in dollars and cents per hundred pounds, per hour, per mile, per vehicle, or any other unit of clearly definable limits as may be authorized by the commission. If rates are stated in terms of per package or of any other container, such containers shall be defined in detail. Minimum charges in cents or dollars and cents per shipment shall be shown in connection therewith or in a separate rule.

Sec. 16-304-C12. Index of commodity rates

In a tariff containing commodity rates, there shall be shown in index of articles, alphabetically arranged, with reference to page or item in which each is shown. Rates and minimum charges shall be clearly shown as provided in section 16-304-C11.

Sec. 16-304-C13. Commodity rates to supersede class rates

The establishment of a commodity rate removes the application of the class rate, on the same commodity between the same points, unless otherwise provided in connection therewith.

Part V

General

Sec. 16-304-C14. Symbols indicating changes

All tariffs, supplements or revised pages shall indicate changes from preceding issues by the placement of the proper symbol directly in connection with each change, except that when a change of the same character is made on an entire tariff, or supplement, or a page thereof, that fact and the nature of such change may be indicated in distinctive type at the top of the title page, or at the top of each page. The symbols to be used and the meaning thereof shall be as follows:

- or (R) to denote reduction
- ◆ or (A) to denote increases
- ♠ or (C) to denote changes, the result of which is neither an increase nor a reduction.

Sec. 16-304-C15. Posting and filing

Each carrier shall post and file at each of its stations or offices, at which an exclusive agent is employed, all of the tariffs, including supplements, applying on its operations. All tariffs, including supplements, shall be kept available for public inspection or examination at all reasonable times.

Sec. 16-304-C16. Limit of supplemental pages

The number of pages of supplemental matter in effect at any time shall not exceed one-half the number of pages in the tariff so supplemented.

Sec. 16-304-C17. Agent for issuing and filing

(a) A carrier desiring to give authority to an agent to issue and file tariffs and supplements thereto in its stead shall execute a document stating the appointment of such agent for the purpose of issuing and filing tariffs and supplements. This document shall be in a form approved by the commission, and the original and one copy of such document shall be filed with the commission.

(b) The appointment of an agent may be revoked upon not less than sixty days' notice to the commission by filing a notice of revocation with the commission, serving at the same time a copy thereof on the agent in whose favor such appointment was executed.

Sec. 16-304-C18. Concurrence of carriers

A carrier desiring to concur in tariffs issued and filed by another carrier or its agent shall issue a concurrence in favor of such other carrier in a form approved by the commission consecutively numbered "Conn. PUC-MFXC1 No. _____," beginning with number one (No. 1), filing the original and one copy with the commission.

D**Policies of Insurance to Be Furnished by Motor Carriers of Property for Hire****Sec. 16-304-D1. Insurance required**

No motor carrier of property for hire subject to the jurisdiction of the public utilities commission, shall operate any motor vehicle over the highways of this state in intrastate commerce, interstate commerce, or both, and any certificate or permit authorizing the carriage of property for hire, issued to such motor carrier, shall be subject to suspension or revocation, unless and until there has been filed with the public utilities commission a certificate of insurance. such certificate of insurance, as outlined in Form E of section 16-304-D4, shall be evidence of an insurance policy conditioned to pay, within at least the minimum amounts hereinafter prescribed, any final judgment recovered against such motor carrier for bodily injuries to, or death of, any person (excluding injury to or death of the insured's employees arising out of, or damage to property of employment), or for the loss of, or damage to property of others (excluding property of the insured and property transported by the insured, designated as cargo), caused by accident and arising out of the ownership, maintenance or use of all motor vehicles operated by the motor carrier of property for hire within the state of Connecticut under any certificate or permit authorizing the carriage of property for hire.

(Effective February 1, 1972)

Sec. 16-304-D2. Insurance to be issued by authorized companies

Where the motor carrier holds a certificate or permit issued by the public utilities commission authorizing the transportation of property for hire in intrastate commerce in this state, whether such carrier operates exclusively in intrastate commerce or in both intrastate and interstate commerce, policies of insurance, as amended by the

endorsement provided by these regulations, shall be written by insurance, bonding and surety companies licensed to write insurance business in the state of Connecticut.
(Effective February 1, 1972)

Sec. 16-304-D3. Insurance of interstate carriers subject to federal regulation

Where the motor carrier holds a permit issued by the public utilities commission authorizing such person or persons to operate over the highways of this state in the transportation of property for hire in interstate commerce exclusively, policies of insurance as amended by the endorsement provided by these regulations, shall be in compliance with section 174.8 of Motor Carrier Regulations (Title 49, Transportation and Railroads, Part 174, Surety Bonds and Policies of Insurance), adopted by the interstate commerce commission, with such amendments thereto as have since been made or which may be made hereafter by the interstate commerce commission, except that such policies shall be in the amounts and limits set forth in section 16-304-D5 hereof, and shall be either written or confirmed by an insurance, bonding or surety company authorized to write insurance, bonding or surety business in Connecticut, or by a bonding or surety company holding a certificate of authority from the secretary of the treasury of the United States as acceptable surety on federal bonds.

Sec. 16-304-D4. Forms

Certificates of insurance shall be filed on Form E, entitled, "Uniform Motor Carrier Bodily Injury and Property Damage Liability Certificate of Insurance," prescribed by the public utilities commission and the National Association of Regulatory Utility Commissioners. This certificate shall cover all vehicles operated by the carrier within the state of Connecticut and shall be signed by a person designated to the public utilities commission, by the insuring, bonding or surety company offering the insurance, as the agent authorized to sign such certificates of insurance, and shall certify to public utilities commission that such policy or policies of insurance in at least the minimum amounts hereinafter prescribed have been issued to the motor carrier of property for hire, and that such policy or policies apply with respect to the ownership, maintenance or use.

(Effective February 1, 1972)

Sec. 16-304-D5. Minimum coverage

The minimum amounts referred to in sections 16-304-D1 and 16-304-D4 are prescribed as follows:

(a) For intrastate carriers:

\$200,000 - against claims for bodily injuries to or death of one person in any one accident

\$600,000 - for bodily injuries to or death of more than one person in any one accident

\$100,000 - against claims for loss or damage in any one accident to the property of others (excluding property of the insured and property transported by the insured, designated as cargo).

(b) For interstate carriers:

(1) The liability amounts for freight vehicles with gross vehicle weight ratings of 10,000 pounds or more are those prescribed under Interstate Commerce Commission Bureau of Motor Carrier Safety Docket No. MC-94, codified as 49 CFR 387, and set forth as follows:

Kind of Equipment	Commodity transported	<u>Single Limit requirement</u> July 1, 1983
Freight vehicles of 10,000 pounds or more GVW.	(1) Property (non-hazardous). . . .	\$750,000
	(2) Hazardous substances as defined in 49 CFR 171.8 and designated by the letter E in the first column of the Hazardous Materials Table found at 49 CFR 172.101 transported in cargo tanks, portable tanks, or hopper-type vehicles with capacities in excess of 3,500 water gallons; or in bulk classes A and B explosives, poison gas (Poison A), liquefied compressed gas, compressed gas, or large quantity radioactive materials as defined in 49 CFR 173.389.	\$5,000,000
	(3) Oil listed in 49 CFR 172.101; hazardous waste, hazardous materials and hazardous substances defined in 49 CFR 171.8 and listed in 49 CFR 172.101, but not mentioned in (2) above.	\$1,000,000

(2) The liability amounts for freight vehicles with gross vehicle weight ratings of less than 10,000 pounds as follows:

Kind of equipment	Limit for bodily injuries to or death of one person	Limit for bodily injuries to or death of all persons injured or killed in any one accident (subject to a maximum of \$100,000 for bodily injuries to or death of one person)	Limit for loss or damage in any one accident to property of others (excluding cargo)
(1)	(2)	(3)	(4)
Freight vehicles under 10,000 pounds GVW (Effective August 4, 1983)	\$100,000	\$300,000	\$50,000

Sec. 16-304-D6. Self-insurance

A motor carrier of property for hire may comply with these regulations by qualifying as a self-insurer in lieu of the insurance prescribed herein, if such carrier furnishes a true and accurate statement of its financial condition and such other evidence as will establish to the satisfaction of the public utilities commission the ability of such carrier to satisfy its obligations for liability for bodily injury or death and liability for property damage in the minimum amounts prescribed in section 16-304-D5 without affecting the stability or permanency of the business of such

motor carrier. Other securities or agreements may be offered in lieu of the insurance prescribed herein if the carrier can demonstrate to the public utilities commission that the security or agreement offered will discharge the liability of such carrier for bodily injury or death and property damage within at least the minimum amounts prescribed in section 16-304-D5.

Sec. 16-304-D7. Suspension or revocation of acceptance or approval of insurance

The public utilities commission's acceptance of any certificate of insurance or its approval of qualifications as a self-insurer, or its approval of other securities or agreements will be suspended or revoked if the public utilities commission finds at any time that such insurance or security no longer complies with these regulations, or does not adequately protect residents of this state and travelers upon its highways and the general public, with respect to the operation of motor vehicles over the highways of this state by any motor carrier of property for hire subject to the jurisdiction of the public utilities commission.

Sec. 16-304-D8.

Repealed, February 1, 1972.

Sec. 16-304-D8a. Form of endorsement

UNIFORM MOTOR CARRIER BODILY INJURY AND PROPERTY DAMAGE LIABILITY INSURANCE ENDORSEMENT FORM

“It is agreed that:

1. The certification of the policy, as proof of financial responsibility under the provisions of any State motor carrier law or regulations promulgated by any State Commission having jurisdiction with respect thereto, amends the policy to provide insurance for automobile bodily injury and property damage liability in accordance with the provisions of such law or regulations to the extent of the coverage and limits of liability required thereby; provided only that the insured agrees to reimburse the company for any payment made by the company which it would not have been obligated to make under the terms of this policy except by reasons of the obligation assumed in making such certification.

2. The Uniform Motor Carrier Bodily Injury and Property Damage Liability Certificate of Insurance has been filed with the State Commissions indicated on the reverse side hereof.

3. This endorsement may not be canceled without cancellation of the policy to which it is attached. Such cancellation may be effected by the company or the insured giving thirty (30) days' notice in writing to the State Commission with which such certificate has been filed, such thirty (30) days' notice to commence to run from the date the notice is actually received in the office of such Commission.

Attached to and forming part of policy No. _____ issued by _____, herein called Company, of _____ to _____ of _____

Dated at _____ this _____ day of _____ 19 _____

Countersigned by _____ Authorized Representative”

(Effective February 1, 1972)

E**Determination of Adjoining Territory****Sec. 16-304-E1. Limits of adjoining territory**

Pursuant to the provisions of section 16-282 of the general statutes, the commission hereby determines the limits of the adjoining territory within which motor vehicles, while engaged in the transportation of property wholly therein, are excluded from the provisions of chapter 285, except as noted in said section 16-282, to be as follows:

- (a) Ansonia and Derby and Shelton
- (b) Branford and North Branford
- (c) Bridgeport and Fairfield and Stratford and Trumbull
- (d) Brooklyn and Killingly
- (e) Danbury and Bethel
- (f) East Haddam and Haddam
- (g) Hartford and East Hartford and West Hartford
- (h) Lebanon and Franklin
- (i) Middletown and Cromwell and Portland
- (j) New Britain and Berlin and Newington
- (k) New Haven and East Haven and Hamden and West Haven
- (l) New London and Groton and Waterford
(Including transportation of property between New London, Groton and Waterford and the freight station known as Mystic and situated on the east side of the Mystic River, in the town of Stonington)
- (m) Tolland and Willington
- (n) Torrington and Harwinton
- (o) Windsor Locks and East Windsor

The area included in each lettered subsection enumerated above constitutes a separate exempt area.

F**Motor Carriers of Property for Hire****Sec. 16-304-F1. Definitions**

As used in sections 16-304-F1 to 16-304-F29 inclusive, “commission” means the department of public utility control; “carrier” means a carrier of property for hire by a motor vehicle pursuant to a commission certificate or permit; “certificate” or “permit” means a certificate or permit issued by the commission authorizing the transportation of property for hire by motor vehicle; “intrastate carrier” means a carrier engaged in intrastate commerce within Connecticut pursuant to commission authority; “headquarters” means an office where records of the carrier’s business are handled and are kept and an employee is in attendance to dispatch motor vehicles used in the transportation of property for hire where telephone service is maintained in the name of the carrier; “identification stamp” means a stamp issued by the commission to an authorized carrier of property for hire, for each motor vehicle used by the carrier pursuant to commission authority.

(Effective November 26, 1982)

Sec. 16-304-F2. Transfer of authority

Transfer of a certificate or permit may not be accomplished until: (1) Application for such transfer has been made to the commission on the commission-prescribed

form; (2) the transferor of intrastate authority has demonstrated that he is performing a reasonable service under his certificate or permit as is required by the commission's regulations; (3) the commissioner has issued its approval of the terms and conditions of the proposed transfer of an intrastate authority, and has determined that the transferee can reasonably meet the statutory standards prescribed for an applicant for commission authority; (4) the commission has reissued the certificate or permit in the name of the transferee.

Sec. 16-304-F3. Change of address

Each carrier shall notify the commission in writing of any change of address within forty-eight hours of such change.

Sec. 16-304-F4. Change of headquarters

Each intrastate common carrier holding authority to transport property for hire, on call received at a headquarters specified in its certificate, shall not change the location of such headquarters to a point outside the named city or town without prior commission approval. Such carrier shall not maintain a headquarters at a point outside the city or town specified in its certificate.

(Effective November 26, 1982)

Sec. 16-304-F4a. Call stations

Notwithstanding the provisions of any certificate to the contrary, on and after the effective date of this regulation, an intrastate common carrier holding authority to transport property for hire shall not be restricted to receiving calls only at a headquarters designated in its certificate but may establish and maintain one or more call stations; provided, however, that each such carrier shall maintain all records covered by section 16-304-F8 of these regulations at its headquarters.

(Effective November 26, 1982)

Sec. 16-304-F5. Filing of trade name

All intrastate carrier shall not do business under a fictitious trade name until he has filed with the commission a certified copy of the certificate required by section 35-1 of the general statutes.

Sec. 16-304-F6. Single trade name

An intrastate carrier shall do business under only one name.

Sec. 16-304-F7. Identification of vehicles

All motor vehicles operated by carriers pursuant to commission authority shall be identified by prominent and legible lettering at least one and one-half inches in height, stating the name of such carrier and the city or town and state in which its principal office is located. Such identification shall be displayed on both sides of each such vehicle.

Sec. 16-304-F8. Availability of records

All books, records, vouchers, memoranda and other papers relating to the business of an intrastate carrier shall be made available in Connecticut as required for examination by the commission or its authorized representatives.

Sec. 16-304-F9. Accounting records

All intrastate carriers that are not required to maintain their records in conformity with the commission's uniform system of accounts shall maintain their records in

sufficient detail to readily furnish reasonable reports of their financial condition and the result of their operations to the commission.

Secs. 16-304-F10—16-304-F17.

Repealed, February 1, 1972.

Sec. 16-304-F18. Bills of lading to be issued

For each shipment accepted for transportation, every intrastate common carrier shall issue a bill of lading which shall state: The date of shipment; point of origin; point of destination; name and address of consignor; name and address of consignee; description of articles or commodities, number in each shipment and weight of each; route of movement; points of transfer from one carrier to another and name of each carrier participating in the movement; the rate or rates applicable to the service rendered; charges accrued, and advance charges if any; a statement of the nature and amount of any other charges, naming points at which such charges accrued; total charges. A copy of each such bill shall be preserved at least two years and shall be available for inspection by the commission.

Sec. 16-304-F19. Record of shipments by contract carriers

For each shipment handled, every intrastate contract carrier shall keep on file a record which shall state: Date of shipment; point of origin; point of delivery; name and address of consignor; name and address of consignee; description of articles or commodities; number in each shipment and weight of each; the rate or rates applicable to the service rendered; the charges accrued and total charges. Such record shall be preserved at least two years and shall be available for inspection by the commission.

Sec. 16-304-F20. Waybills to be carried

Each carrier shall cause to accompany each shipment a waybill or delivery receipt showing the originating point, destination, nature and weight of the articles or commodities, including total weight of load.

Sec. 16-304-F21. Contract carriers—contracts to be filed

Each contract carrier shall maintain a current file with the commission of all effective contracts under which he renders transportation service pursuant to commission authority, such contract to be on file prior to the rendering of such service.

Sec. 16-304-F22. Identification stamp

An identification stamp issued by this commission shall be placed in the square bearing the name of this state on the back of the uniform cab card of the vehicle being operated. This uniform cab card shall be carried in the same vehicle and upon demand shall be presented by the driver to an authorized official for inspection. Identification stamps shall expire on February first of each year.

(Effective February 1, 1972)

Sec. 16-304-F23. Application for identification stamps

A carrier may obtain identification stamps by: (1) Furnishing the information required on the application form prescribed by the commission and paying the statutory charge therefor; and by (2) having on file with the commission satisfactory evidence of insurance coverage as prescribed by the commission's rules and regulations. In addition to the requirements of subdivisions (1) and (2), each intrastate carrier shall have on file with the commission its current schedule of rates and charges as prescribed by statute and by the commission's regulations.

(Effective February 1, 1972)

Sec. 16-304-F24. List of vehicles operated

The motor carrier shall provide the commission with a list of the vehicles it is operating for hire on Connecticut highways, including those used in truckaway, towaway and driveaway service, on the application for identification stamps: (1) when the stamps are applied for, or (2) within fifteen days of the date the vehicles are placed in service.

(Effective February 1, 1972)

Sec. 16-304-F25.

Repealed, January 28, 1988.

Sec. 16-304-F26. Substitution of vehicles

When a motor carrier substitutes or transfers a vehicle, he shall affix the cab card prepared for the substitute vehicle to the front of the cab card prepared for the discontinued vehicle by permanently attaching the upper left hand corners of both cards together in such a manner as to permit inspection of the contents of both cards and thereupon each identification stamp or number appearing on the back of the card prepared for the discontinued vehicle shall be deemed to apply to the operation of the substitute vehicle.

(Effective February 1, 1972)

Sec. 16-304-F27. Retired vehicles

When a carrier discontinues the operation of a vehicle it shall so advise the commission in writing within fifteen days of the discontinuance.

(Effective February 1, 1972)

Sec. 16-304-F28. Temporary identification stamp

A carrier may obtain an emergency authority for a motor vehicle for a period of ten days, by (1) providing the commission with a description of the vehicle by year, make, type of body, identification number and name of registered vehicle owner, if other than the motor carrier, and paying the statutory charge therefor; and by (2) having on file with the commission satisfactory evidence of insurance coverage as prescribed by the commission's rules and regulations.

The temporary identification stamp, which is usually issued in the form of a telegram, shall be carried in the vehicle while operated pursuant to commission authority.

(Effective February 1, 1972)

Sec. 16-304-F29. Interstate carrier, failure to apply for identification stamps

If a motor carrier, authorized by this authority to transport property for hire in interstate commerce, does not apply for and obtain current identification stamps for Connecticut operation for three consecutive years its interstate authority will be revoked and cancelled, upon 30 days notice to the carrier.

(Effective August 4, 1978)

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Taxicab Operation

Secs. 16-319-1—16-319-20.

Repealed, November 3, 2000.

See §§ 13b-96-1—13b-96-51.

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LIVERY SERVICE

Part I

Definitions

Sec. 16-325-1. Definitions

As used in sections 16-325-1 to 16-325-25, inclusive, "commission" means the public utilities commission of the state of Connecticut;

"permit holder" means a holder of a permit issued by the commission authorizing the operation of livery service;

"headquarters" means an office where

(1) records of the permit holder's business are handled and kept, and

(2) the permit holder or his employee is in attendance to dispatch motor vehicles used in livery service, and

(3) telephone service is maintained in the name of the permit holder;

"bus" means a motor vehicle used in livery service having a capacity of ten or more adults but shall not include a school bus or a sedan type bus,

"school bus" means school bus as defined by section 14-275 of the general statutes and used in livery service; and

"general livery service authority" means authority for all types of livery transportation service.

(Effective August 24, 1965)

Part II

Operations

Sec. 16-325-2. Transfer of permit

No livery permit may be transferred until

(1) application for such transfer has been made to the commission on the prescribed form;

(2) the permit holder has demonstrated that he is performing service with reasonable frequency and continuity;

(3) the transferee if an individual, or all corporate officers, if a corporation, have demonstrated fitness and propriety to perform livery service; and

(4) the commission has approved the transfer and has reissued the permit in the name of the transferee.

(Effective August 24, 1965)

Sec. 16-325-3. Notice of change of address

Each permit holder shall notify the commission in writing within forty-eight hours of any change of business address.

(Effective August 24, 1965)

Sec. 16-325-4. Change of location outside city or town

A permit holder shall not change the location of his headquarters to a point outside the city or town specified in his permit without prior commission approval.

(Effective August 24, 1965)

Sec. 16-325-5. Information supplied and records available to authority

Permit holders shall maintain their accounts in sufficient detail to readily furnish to the authority, upon request, reports of their financial condition and the results of

their operations. All books, records, vouchers, memoranda and other papers relating to the business of the permit holder shall be maintained and available for examination by the authority for a minimum for two years.

(Effective October 5, 1976)

Sec. 16-325-6. Requirements re drivers

(a) Each permit holder shall ascertain that each driver in his employment holds a public service operator's license and is fully instructed regarding Connecticut motor vehicle and livery laws and pertinent regulations.

(b) Each permit holder shall ascertain that each driver of vehicles used in school service is fully instructed regarding regulations governing school busses.

(Effective August 24, 1965)

Sec. 16-325-7. Rates

Each permit holder shall maintain on file with the commission an exact schedule of all rates and charges for livery service. All livery service shall be rendered only under such rates and charges as are on file with the commission. All rates shall be calculated from the carrier's headquarters. Said schedule of rates and charges shall not be altered without prior commission approval. In localities regularly served by taxicabs, permit holders shall charge a minimum rate of one dollar per trip, and shall not charge a rate less than the prevailing taxicab fare for comparable service. Rates charged for busses and school busses shall not be less than the following minimum rates per mile:

<i>Adult</i>	<i>Rate Per Mile</i>	
<i>Seating Capacity</i>	<i>With Load</i>	<i>Without Load</i>
20	\$0.25	\$0.125
32	0.40	0.20
40	0.50	0.25

Proportionate minimum rates shall be charged for busses and school busses having different seating capacities from the foregoing.

(Effective August 24, 1965)

Sec. 16-325-8. Limitation on number of vehicles operated

A permit holder who desires to operate a greater number of vehicles in livery service than authorized may make application to the Division, in which application the permit holder shall state the number of additional vehicles desired, and the reasons and causes applicable to public convenience and necessity for the additional service sought.

A copy of said application shall be provided by the applicant to the Commissioner of Transportation, the mayor of each city, the warden of each borough or town or the first selectman, and any common carrier within the territory specified. Upon filing said application with the division, the permit holder must, within ten (10) days, publish in a newspaper or newspapers having circulation in the territory specified, a notice of the application.

In the absence of any written opposition, after a period of thirty (30) days of the filing of said application, the Division may grant an uncontested application at a regularly scheduled public hearing on all uncontested applications then pending, which hearing will be held at the offices of the Division at 10:00 a.m., on the second Wednesday of every other month, said hearing to commence upon acceptance of

these regulations by the Secretary of the State, in accordance with section 4-172 of the Connecticut General Statutes. In any case wherein the Division receives written opposition to the application, the Division shall schedule a special public hearing to be held on that contested application and shall make public notice of the pendency of said contested application as required by law.

(Effective January 14, 1980)

Sec. 16-325-9. Vehicles to be approved by commission

No motor vehicle shall be placed into livery service for the first time until the commission has approved the use of such vehicle in livery service. Motor vehicles which have been removed from livery service for a period of six months or more shall be approved by the commission prior to reuse in livery service.

(Effective August 24, 1965)

Sec. 16-325-10. Use of school bus in adult service

School busses shall not be used in adult livery service unless patrons seeking livery service are informed in advance that

(1) school busses will be furnished and

(2) school busses afford restricted accommodations with respect to seating and other facilities in contrast to conventional busses and such patrons indicate that they are agreeable to accept school busses.

(Effective August 24, 1965)

Part III

Inspection and Equipment

Sec. 16-325-11. General construction and equipment requirements

Construction and equipment, including but not limited to brakes, tires, lights, electrical systems, and all other equipment of vehicles used in livery service, shall conform with the general statutes and requirements and regulations of the department of motor vehicles.

(Effective August 24, 1965)

Sec. 16-325-12. Doors. Emergency opening device

(a) Each entrance and service door of a bus shall have a minimum horizontal clearance of twenty-four inches and minimum vertical clearance of seventy-two inches.

(b) Every new bus placed into livery service following August 24, 1965, equipped with an air or vacuum operated entrance door, except a bus having two operable service doors on the same side, shall have an easily accessible emergency opening device located adjacent to the entrance door. This device shall be identified and instruction for its use shall be posted on or adjacent to the door.

(Effective August 24, 1965)

Sec. 16-325-13. Longitudinal aisle

All equipment purchased on or after January 1, 1977, must have minimum head-room of seventy-four inches and a minimum aisle width of fourteen inches. Vehicles presently registered in livery service with twelve inch aisles and seventy-two inch head room may remain in service until retired or replaced.

(Effective October 5, 1976)

Sec. 16-325-14. Seats

(a) Each bus seat shall provide a minimum seating space of sixteen inches per adult passenger, except school buses and/or school bus type vehicles, which shall have all seats facing forward and each bus seat shall provide a minimum seating space of fifteen inches per passenger,

(b) Bus cross seats shall provide a minimum clearance at the knee level of twenty-four inches in front of the back cushion.

(c) No bus seat shall be located so that a passenger occupying such seat would be forward of the driver.

(Effective October 5, 1976)

Sec. 16-325-15. Heaters

Each vehicle shall have facilities such as hot water heaters, or other types of heaters approved by the National Board of Fire Underwriters Laboratories, to adequately heat and ventilate the entire passenger carrying space used. Heating systems shall be designed to prevent fumes from entering the bus body and all fuel line connections shall be located outside of the passenger compartment.

(Effective August 24, 1965)

Sec. 16-325-16. Rail behind driver

Each bus, except a sedan type bus, shall be equipped with a horizontal rail located behind the driver designed to prevent interference by passengers.

(Effective August 24, 1965)

Sec. 16-325-17. Display of name of permit holder and identifying number

(a) The exact name of the permit holder shall be displayed in horizontal form on each side of the exterior of every bus in clearly visible and legible letters, at least four inches high.

(b) An identifying number shall be conspicuously lettered on the exterior front, rear and sides, and on the interior front above the windshield of every bus in clearly visible and legible letters at least four inches high.

(Effective October 5, 1976)

Sec. 16-325-18. Display of seating capacity

The seating capacity shall be displayed on each bus at the rear of the entrance door, near the bottom of the window, in visible letters and numbers not less than one and one-half inches high.

(Effective August 24, 1965)

Sec. 16-325-19. Emergency equipment

(a) Each bus, except a sedan type bus, shall contain suitable hand tools in a visible and accessible location for emergency purposes.

(b) Each bus, including a sedan type bus, shall contain a first aid kit, flares, flaring candles or torches, and a fire extinguisher of a type and size approved by the department of motor vehicles. Such equipment shall be in a visible and accessible location and maintained in serviceable condition.

(Effective August 24, 1965)

Sec. 16-325-20. Speed-indicating device

Each vehicle used in intercity or interstate service shall have an effective speed-indicating device, located within easy view of the driver.

(Effective August 24, 1965)

Sec. 16-325-21. Mirrors

Each bus shall have a mirror which shows the operator the bus interior. Each bus equipped with a side exit door shall have a suitable mirror or mirrors which show the driver each side service door and step-well.

(Effective August 24, 1965)

Sec. 16-325-22. Steps and hand rails

Each step-well on a bus shall have step surfaces constructed of slip resistant material. Adequate hand rails shall be provided.

(Effective August 24, 1965)

Sec. 16-325-23. Emergency exits. Doors

(a) In addition to the door or doors used for normal entrance and exit, emergency exits on buses, except sedan type buses, shall be provided for by either an emergency door or by push-out windows as prescribed in the authority's regulations for motor buses.

(b) The emergency door of each bus shall be connected with a distinctive audible signal and red indicator light, mounted over door so as to be visible to the driver, which operates when the emergency door is partially unlatched or when the operating bar or handle is moved. This signal shall not be connected with any other circuit and only the door switch shall be in the circuit.

(c) Sedan type buses shall have a minimum of four doors.

(d) Sedan type buses shall have a door on each side of each seat, with a distinctive signal connected to each door which will alert the operator whenever any door is unlatched or open. A protective covering, extending from six inches below to twelve above the top of the back of the seat, shall be provided over the hinged portion of each door jamb.

(e) Station wagons and suburban type vehicles shall have doors on each side of each seat, or shall have at least two doors, one of which will be on each side of the vehicle, with an unobstructed aisle leading from the door on the right-hand side of the vehicles to each passenger seat.

(f) School buses having an emergency door in the rear, shall offer clear access to such door from the last two rows of seats. The emergency door shall be so marked on the inside in letters at least 2 inches high to indicate location of door and direction of movement of handle or other device to open the door. Such buses shall have at least two push-out type windows on each side of the bus and shall be properly marked in letters at least 1½" high: EMERGENCY EXIT, PUSH-OUT AT BOTTOM.

(Effective October 5, 1976)

Sec. 16-325-24. Interior illumination

Adequate illumination shall be provided in the interior of all vehicles, including step-well areas.

(Effective August 24, 1965)

Sec. 16-325-25. Noncomplying vehicles excluded from service

Vehicles that do not comply with the provisions of sections 16-325-1 to 16-325-24, inclusive, and with accepted standards of safety and passenger convenience, shall not be used in livery service.

(Effective August 24, 1965)

Sec. 16-325-26. Repeal of prior dockets

Public Utilities Commission Docket No. 5983, Docket No. 6300 and Docket No. 6700, and all amendments thereto, pertaining to livery service, are repealed.

(Effective August 24, 1965)

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Community Access Support

Sec. 16-331a-1. Definitions

As used in section 16-331a-2 to 16-331a-10, inclusive:

(1) "Community Access Provider" means the entity responsible for providing community access operations within a franchise area.

(2) "Consumer Price Index (CPI)" shall mean the United States Department of Labor Consumer Price Index, Urban, Northeast Region, published by the Bureau of Labor Statistics.

(3) "End-user Premises" means a residential dwelling unit the owner or tenant of which purchases programming services from one or more multichannel video programming distributors within a franchise area as defined in section 16-331a-1 (4).

(4) "Multichannel video programming distributor (MVPD) within a franchise area" means a multichannel programming distributor as defined in 47 CFR 76.1300, as from time to time amended, that uses public streets and highways, utility poles or underground conduit to distribute video programming.

(5) "Subscriber" means a person who purchases programming services from one or more MVPDs within a franchise area, as defined in section 16-331a-1 (4).

(Effective September 26, 1996)

Sec. 16-331a-2. Number of community access channels required

(a) Each franchise holder shall maintain at least one specially designated channel to be used for community access. The franchise holder may use any such access channel for any other purpose whenever that channel's time has not been contracted for use for public access. Any conflict in time for use between community access or other use shall be resolved in favor of community access. The franchise holder shall keep a record, available for public inspection, of the requests for and use of access channel time. Such records must be retained for not less than two years.

(b) When the activated access channel capacity is in use for community access purposes during 80 percent of any consecutive five hour period Monday-Friday, for six consecutive weeks, the franchise holder shall, within six months, activate an additional channel for access use, provided, however, that this requirement shall not necessitate the rebuilding of a system or elimination of any existing services, and further provided that in no case shall the number of mandated access channels exceed ten per cent of the total channel capacity of the system.

(Effective September 26, 1996)

Sec. 16-331a-3. Rates and charges

No franchise holder shall charge access channel users for channel time. Franchise holders may assess rates and charges approved by the department against access users for technical assistance and production expenses.

(Effective September 26, 1996)

Sec. 16-331a-4. Operating rules

(a) Within 6 months after the effective date of these regulations or upon commencing operations, whichever is later, each franchise holder shall file proposed operating rules for access use with the DPUC approval. Such rules must include the following:

(1) All proposed rates and charges applicable to the use of access channels including technical assistance and production expenses.

(2) All forms to be used, e.g., applications or agreements.

(3) Equipment available for access use.

(4) A prohibition of the presentation of any advertising material designed to promote the sale of commercial products or services (including advertising by or on behalf of candidates for public office).

(5) Any other operating rules which may apply to the provision and programming of access channels.

(b) In evaluating the equipment, rates, and administrative procedures which must be specified in the franchise holder's operating rules for access use, the department shall consider the franchise holder's financial resources; the system's subscriber base and channel capacity; the demographic characteristics of the franchise area and the public need, as determined by the department, consistent with the goals of affording the public a low cost means of television access and encouraging access channel usage by as many different persons or entities as practical.

(Effective September 26, 1996)

Sec. 16-331a-5. Notice requirement

Each franchise holder, upon filing proposed operating rules of access use with the DPUC, shall provide written notice of the availability of access channels to each subscriber within 60 days and such notice shall be repeated annually.

(Effective September 26, 1996)

Sec. 16-331a-6. Applicability of support requirements

Sections 16-331a-7 through 16-331a-10 shall only apply to franchise holders that seek a new, renewed or transferred certificate of public convenience and necessity to operate a community antenna television system after October 1, 1995. Community access support levels of all other franchise holders shall be governed by the terms of their existing franchise agreements, or in the absence of such agreement, by the requirements of sections 16-331a-11 and 16-331a-12.

(Effective September 26, 1996)

Sec. 16-331a-7. Community access support amount, CPI adjustment

The amount to be provided by each MVPD within a franchise area for community access support shall be \$5.00 per subscriber per year unless a different amount is required pursuant to section 16-331a-8. The amount shall be adjusted annually reflecting the CPI for the preceding calendar year. The amount shall be paid on a quarterly basis and shall be determined by multiplying the amount per subscriber by the average number of subscribers as determined in section 16-331a-9.

(Effective September 26, 1996)

Sec. 16-331a-8. Procedures for increasing or decreasing community access funding other than by the CPI

(a) At any time, on its own motion or for good cause shown, the department may increase or decrease the per subscriber amount to be collected annually from MVPDs within a franchise area to support community access by not more than 40% of said amount.

(b) The department, in its sole discretion, shall determine if a proceeding to increase or decrease the community access amount shall be held. To assist the department in determining whether good cause exists to initiate a proceeding pursuant to this section of the regulations, an entity requesting an increase or decrease shall provide to the department a clear statement indicating good cause why the request should be granted.

(c) Before increasing or decreasing the amount of community access support, the department shall hold a hearing, and accept evidence from the community access provider within the franchise area, MVPDs within the franchise area, the cable advisory council and residents of the franchise area.

(d) In determining whether the amount shall be increased or decreased not more than 40%, the department shall take into consideration:

(1) the number of subscribers served by the MVPD within a franchise area; (2) the fundamental purposes of community access, including but not limited to, the following: enhancing First Amendment rights; providing for the dissemination of diverse views and for a marketplace of ideas and information; providing viable alternatives to commercial programming, and enhancing a sense of community among residents of the town and franchise area; and (3) the criteria set forth in subsection (c) of Section 16-331a of the Connecticut General Statutes, and subsection (k) of Section 16-331a of the Connecticut General Statutes.

(Effective September 26, 1996)

Sec. 16-331a-9. Determination of average number of subscribers per MVPD within a franchise area

(a) The average number of subscribers per MVPD within a franchise area shall be determined on a quarterly basis. For purposes of calculating the amount of community access support due on the first business day of each calendar quarter (beginning January 1, April 1, July 1, and October 1), the number of subscribers of an MVPD operating within a franchise area shall be the average number of subscribers during the preceding quarter.

(b) The amount attributable to subscribers connected to a video dialtone platform shall be based on the average number of end-user premises connected to the platform which purchased programming from one or more video information providers over that platform.

(Effective September 26, 1996)

Sec. 16-331a-10. Assessment and collection procedures

(a) No later than June 1 of each year, the Department shall, by decision, adjust the required community access support amount per subscriber reflecting changes in the CPI and notify each MVPD within a franchise area and each community access provider of the adjusted amount for the next calendar year. The notification shall include the manner in which the adjusted amount was calculated.

(b) If an MVPD within a franchise area or the community access provider believes that the department's determination of the total amount due is incorrect, it shall, within 30 days from the date the Department issues the notification of the adjusted amount, inform the department in writing that it disagrees with the Department's calculation, indicating the reason or reasons it believes the calculation is incorrect. The department shall respond to the MVPD within a franchise area or the community access provider within 60 days of receipt of the written disagreement.

(c) If an MVPD within a franchise area is the community access provider, it shall include in its annual report filed pursuant to subsection (i) of section 16-331a of the Connecticut General Statutes information sufficient to establish that it has met its community access support obligations. If an MVPD within a franchise area is not the community access provider, it shall make quarterly payments to the community access provider no later than the first business day of each calendar quarter. At the same time, it shall notify the department of the amount of the payment made, showing all calculations.

(d) The department shall resolve any disputes regarding the quarterly payments.
(Effective September 26, 1996)

Sec. 16-331a-11. Standards for determining adequacy

The Department shall employ the standards in this section to determine, on a case-by-case basis, the level of support which each CATV company shall make available to the public to facilitate meaningful community access. The department shall review each company's support taking into consideration the factors in section 16-331a-12. The Department considers that community access support which comprises the following components would be adequate to facilitate meaningful community access:

(a) Personnel:

(1) Personnel sufficient to accomplish the following:

(A) Coordinate all access programming functions and efforts, including coordinating efforts and communicating with the Advisory Council, and

(B) Administer all efforts made by the company for community access;

(2) Any company which has 20,000 or more subscribers shall designate one employee, at a minimum, as the access coordinator who has as his or her sole responsibilities those identified in subdivision (1) of this subsection. Any CATV company which has less than 20,000 subscribers shall designate one full time employee, at a minimum, as the access coordinator who has as his or her primary responsibilities those identified in subdivision (1) of this subsection;

(3) Technical personnel to assist the access coordinator and to assist the access users, as required;

(4) Additional personnel assigned to supplement the access coordinator's efforts in coordination and administration when the absence of such supplementary efforts would unreasonably hinder the development of community access;

(5) An annual assessment, performed by the company and based in part on recommendations solicited by the company from access users and the Advisory Council, of whether the number of personnel assigned to community access, and the amount of time spent by such personnel on community access, are sufficient to facilitate meaningful community access.

(b) Training:

(1) A training program, offered at no charge to trainees or their organizations except as specified herein, designed and operated by the company to train interested persons to handle equipment safely and to produce community access programming, including, but not limited to, the following: (A) preproduction planning, (B) portable field production, (C) studio production, (D) editing, and (E) post-production tasks. Classes held for the training program shall be a reasonable size, as determined by the material presented. Classes shall be offered regularly outside of business hours, including evenings and weekends, in addition to the sessions offered regularly during business hours. The training program shall be offered first to residents of the franchise area and then to members of private, nonprofit organizations located and operating in the franchise area;

(2) The availability of a proficiency test, which individuals may pass instead of the successful completion of the training program;

(3) Advanced level courses, as determined by demand, offered solely by the company for cooperatively with other companies or organizations.

(c) Facilities and Equipment:

(1) Facilities and equipment, at no charge except for the cost of gasoline for the use of a van or for tapes, sufficient to enable access users to produce and show live and taped productions of commercial broadcast quality, as more fully defined below:

(A) For systems with fewer than or equal to 3,500 subscribers, equipment, including, but not limited to, the following equipment, all of which shall be portable except for the character generator and cable casting equipment: a color, self-contained camera package having a minimum of 350 lines of horizontal resolution, video tape recorder, microphones, microphone mixer, tripod, lighting equipment, carrying cases, cablecasting equipment, and a sixteen-page character generator,

(B) For systems with more than 3,500 subscribers, but fewer than 25,000 subscribers, equipment and facilities, including, but not limited to, the following: an equipped studio of not less than 200 square feet, and the portable equipment identified in subparagraph (A) of this subdivision,

(C) For systems in excess of 25,000 subscribers, facilities and equipment including, but not limited to, the following: an equipped studio of not less than 400 square feet, and the portable equipment identified in subparagraph (A) of this subdivision,

(D) For each 25,000 subscribers or fraction thereof in excess of 50,000 subscribers, an additional camera package and portable equipment as specified in subparagraph (A) of this subdivision;

(2) Reasonable procedures, established in consultation with access users and the Advisory Council, for the following: (A) Making equipment and facilities available when the company's offices are closed for business, (B) Handling the tardy return of equipment and return of damaged equipment by users, (C) Properly maintaining equipment and facilities.

(d) Channel Capacity:

Channel capacity sufficient to support meaningful and productive community access by meeting the demands for channel time for community access, including, at a minimum, one specially-designated community access channel, with additional channel time made available as required by section 16-331a-2 of these regulations.

(e) Promotion:

(1) In addition to the promotional techniques specified in subdivision (3) of subsection (f) of section 16-331 of the Connecticut General Statutes, promotional efforts undertaken in consultation with the Advisory Council and access users, which are sufficient to promote the use of community access channels, facilities, and training programs through mechanisms which may include, but are not limited to, the following:

(A) A bill insert or brochure mailed to all customers at least annually, describing the purposes and accomplishments of community access and the procedures for becoming involved in community access.

(B) A check-off provision on customers' bills which enables customers to donate money to community access;

(2) Promotion of the community's involvement in community access, including specific efforts to involve minority groups;

(3) Publicity about programming through announcing schedules for community access programming in the newspaper, in public service announcements on television and radio, and inserts in the company's program guide,

(4) Efforts to coordinate the Advisory Council's and access users' promotional activities with the company's promotional activities;

(5) A mechanism by which the company shall obtain an annual financial report, from any individuals or groups who receive any direct monetary contribution from

the company, identifying what funding was received and how and by whom it was spent.

(f) Funding:

Money provided to fund the components of adequate community access, as specified in this section, in lieu of providing the specific components of support, when such finding is sufficient in amount to enable the achievement of the standards set herein and when the provision of funding, in lieu of a specific type support, does facilitate the development of community access.

(g) Evaluation and Assessment:

(1) The company's establishment of specific goals for community access, set in consultation with the Advisory Council, and a periodic assessment of the achievement of those goals;

(2) An annual evaluation by the company, submitted to the Department, completed after soliciting, receiving, and incorporating comments from the Advisory Council, access users, community members, and subscribers, of the effectiveness of the company's community access program, and the achievement of the program's goals.

(Effective September 26, 1996)

Sec. 16-331a-12. Review of community access support levels

The Department shall review each company's support, according to the standards set in section 16-331a-11, and may adjust the level of support below such standards if the following so warrant an adjustment:

(1) The size of the company's rate base;

(2) The number of subscribers served by the company;

(3) The length of time for which the company has held the franchise;

(4) The company's channel capacity;

(5) The terms of the company's existing franchise certificate as it applies to community access;

(6) The overall effectiveness of the community access program, including, but not limited to, the following: the number of people who have enrolled in the training program or taken a proficiency test, the number of programs produced, the number of inquiries received about community access, the amount of air time used on the community access channels, the amount of donations made to the company for community access, including funds raised by access users and access organizations, the perceptions and responses to the community access program held by the Advisory Council, access users, and the community;

(7) The existence of an agreement by the company to provide a level of support higher than that set by the standards in section 16-331a-11;

(8) The demography of the community and the public need;

(9) The fundamental purposes of community access, including but not limited to, the following: enhancing First Amendment rights; providing for the dissemination of diverse views and for a marketplace of ideas and information; capitalizing on the possibilities inherent in "narrowcasting," as contrasted with broadcasting; providing for viable alternatives to commercial programming, and enhancing a sense of community among residents of the town and franchise area.

(Effective September 26, 1996)

Sec. 16-331a-13. Annual report requirements for entities providing community access operations

(a) The annual report required to be filed with the department pursuant to section 16-331a(i) of the Connecticut General Statutes by each company or nonprofit organization providing community access operations shall conform to a standard format

provided by the department to all community access providers no later than December first preceding the February fifteenth statutory filing deadline.

(b) The standard format provided by the department shall contain questions pertaining to the official name and address of the community access studio, contact phone numbers, description of facilities, equipment, personnel, hours of operation, number of access channels and channel designation, cablecast logs, programming, operating rules, annual budgets, accounting, number of access users, training, funding, donations, promotions and outreach efforts, and any further information deemed necessary by the Department. This form shall be revised and updated as required.

(c) Any community access provider designated as a not-for-profit corporation shall file with the department a copy of its Form 990 or 990-EZ (Return of Organization Exempt from Income Tax) within 30 days of its filing of said form with the Internal Revenue Service.

(Adopted effective September 7, 1999)

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Construction and Maintenance Standards and Terms and Conditions of Operation of Community Antenna Television Systems

(Effective June 9, 1964)

Part I

Definitions

Sec. 16-333-1. Definitions

As used in sections 16-333-1 to 16-333-54, inclusive, of the regulations of Connecticut state agencies:

(1) "CATV" means any system operated in, under or over any street or highway for the purpose of providing community antenna television service for hire pursuant to a certificate of public convenience and necessity issued by the Department;

(2) "Department" means the Department of Public Utility Control or its successor;

(3) "Municipality" means a town, city or borough, or any municipal corporation or department thereof, owning, leasing, maintaining, operating, managing or controlling any utility plant within the state;

(4) "Franchising Authority" means the Department of Public Utility Control or its successor;

(5) "Community Antenna Television System" means a facility, consisting of a set of closed transmission paths and associated signal generation, reception and control equipment that is designed to provide community antenna television service which includes video programming and which is provided in, under or over any public street or highway, for hire, to multiple subscribers within a franchise area, but such term does not include (A) a facility that serves only to retransmit the television signals of one or more television broadcast stations; (B) a facility that serves only subscribers in one or more multiple unit dwellings under common ownership, control or management, unless such facility is located in, under or over a public street or highway; (C) a facility of a common carrier which is subject, in whole or in part, to the provisions of title II of the Communications Act of 1934, as amended, except that such facility shall be considered a Community Antenna Television System and the carrier shall be considered a public service company to the extent such facility is used in the transmission of video programming directly to subscribers; or (D) a facility of an electric distribution company which is used solely for operating its electric distribution company systems;

(6) "Community antenna television company" includes every corporation, company, association, joint stock association, partnership or person, or lessee thereof, owning, leasing, maintaining, operating, managing or controlling any community antenna television system, in, under or over any street or highway, for the purpose of providing community antenna television service for hire;

(7) "Franchise" means an initial authorization or renewal thereof issued by a franchising authority, whether such authorization is designated as a franchise, permit, license, resolution, contract, certificate, agreement or otherwise which authorizes the construction or operation of a community antenna television system;

(8) "Franchise holder" means the holder of a certificate of public convenience and necessity to construct or operate a community antenna television system issued by the Public Utility Control Authority;

(9) "Billing date" for the purpose of these regulations shall be the processing date of the bill;

(10) "Termination" for the purposes of these regulations shall be the intentional discontinuance by the community antenna television company of premium or basic service due to non payment of amounts due or other issues involving the subscriber;

(11) "Owner" means one or more persons, jointly or severally in whom is vested (A) all or part of the legal title to property; (B) all or part of the beneficial ownership and a right to present use and enjoyment of the premises and including a mortgagee in possession; or (C) in the case of any multiunit residential building that is a condominium, co-operative, or other form of common ownership, any association of unit owners;

(12) "Multiunit residential building" means any house or building, or portion thereof, which is rented, leased or hired out to be occupied, or is arranged or designed to be occupied, or is occupied, as the home or residence of three or more families, living independently of each other, and doing their cooking upon the premises, and having a common right in the halls, stairways or yards. For the purpose of these regulations, multiunit residential building shall include trailer parks, mobile home parks, condominiums and any other common ownership dwellings;

(13) "Instructional programming" means programming carried over the instructional channel as required pursuant to subsection (a) of section 16-333h of the Connecticut General Statutes; and

(14) "Educational programming" means programming generally considered to be educational in scope and in content, or provided by private independent educational programming producers, and any educational programming transmitted over public access channel provided by the franchise holder.

(Effective April 27, 1993; amended August 23, 2000)

Part II

Application and Territory

Sec. 16-333-2. Applications

Each application to the commission for a CATV certificate of public convenience and necessity shall be accompanied by the statutory fee and shall set forth, by town, or designated portion thereof, the territory that the applicant proposes to serve.

(See 1963 Supp. § 16-331 (a).)

Sec. 16-333-3. Territory served

CATV service shall be limited to territory exclusively authorized in the certificate issued by the commission. No cable or other connections shall be constructed to points outside territory authorized in the certificate of said CATV without prior approval of the commission.

Part III

Attachments Rights

Sec. 16-333-4. Right of occupancy of public service facilities

Prior to attachment of CATV equipment on facilities of public service companies or municipalities, contracts defining the rights of the parties with respect to the authority of the CATV certificate holder to occupy space on poles shall be filed with the commission.

(See 1963 Supp. § 16-332.)

Part IV

Safety

Sec. 16-333-5. Safety manuals

Each CATV certificate holder shall adopt comprehensive instructions prescribing safety of employees. Construction of a CATV shall not be initiated until after the commission has approved said instructions. Each employee assigned to electrical work shall be furnished a copy of said safety instructions.

Sec. 16-333-6. Accident prevention

Each CATV certificate holder shall use every effort to warn and protect the public from danger and shall exercise all reasonable care to reduce hazards to employees, public service company facilities, patrons and members of the public.

Part V

Reports and Records

Sec. 16-333-7. Accident reports

Every accident attended with personal injury, or involving public safety, which occurs in the operation of any CATV, shall be promptly reported in writing to the commission. Sufficient information shall be furnished to enable the commission to investigate each such accident.

Sec. 16-333-8. Records

(a) Each CATV company shall keep records relating to operations and shall assist the department in examining into any matter under investigation by the department.

(b) Each CATV company shall keep a record of all subscriber complaints, on a form to be prescribed by the department, having to do with service, including outages and interruptions, service calls, installations, disconnections, terminations, billing disputes, inadequate level of signal quality, workmanship, or employee attitude in serving the public. Such record shall show the name and address of the complainant, the date and nature of the complaint and the date and description of response thereto. Records of all such complaints shall be kept for a period of not less than three years.

(c) Each CATV company shall timely submit to the department any report, record, or data reasonably requested by the department in its regulation of CATV companies, including without limitation, any information the department requests concerning a CATV company's operations, services, facilities and equipment.

(Effective February 24, 1989)

Part VI

Customer Relations

Sec. 16-333-9. Information

(a) Upon request, each CATV company shall provide its subscribers reasonable information on home operation in order that safe and proper service may be furnished.

(b) Each CATV company shall have personnel on duty at all times to respond in a prompt and reasonable manner to all inquiries, complaints and other service requests made to it, either by person, telephone or in writing. The definition of "personnel" may include an answering service outside of normal business hours.

(c) Each CATV company shall, every three months, provide on bills, bill inserts or letters to subscribers the following information:

(1) the company's telephone number(s);

(2) the department of Public Utility Control's consumer assistance toll-free telephone numbers;

(3) A summary of the company's procedures for providing refunds or credits for service interruptions pursuant to section 16-333e (a) of the Connecticut General Statutes; and

(4) A notice indicating that the company is required to restore interrupted service pursuant to section 16-333i (b) of the Connecticut General Statutes not later than twenty-four hours after notification by a subscriber that service has been interrupted.

(d) Each CATV company shall be subject to a civil penalty where:

(1) the department has received subscriber complaints having to do with service outages or interruptions, installations, disconnections, terminations, service calls, billing disputes, inadequate level of signal quality, workmanship or employee attitude in serving the public, the source of which are from factors within the operator's control, and

(2) such complaints have not been resolved or satisfactorily explained to the department within one week after receipt of notice from the department, and

(3) such complaints, on a monthly basis, equal or exceed a total number of sixty, or the ratio of complaints to subscribers equals one-half of one percent on a monthly basis, whichever is less, during any two months in a rolling six month period.

(e) Any CATV company, which, upon reasonable belief and after notice and opportunity to be heard, is found to have exceeded the number of complaints or the ratio of complaints to subscribers as specified in section 16-333-9 (d) (3) of these regulations, shall be fined by order of this department, not more than five thousand dollars for each offense. Each separate occurrence in which the company exceeds the number of complaints or ratio of complaints to subscribers as specified in section 16-333-9 (d) (3) of these regulations shall be considered a separate offense. The complaints received in any one month shall not be used more than one time by the department in any proceeding for the assessment of a civil penalty brought pursuant to section 16-333-9 (f) of these regulations. Where the department has reason to believe that a company has exceeded the number of complaints or ratio of complaints to subscribers as specified in Section 16-333-9 (d) (3) of these regulations, the procedures for notice, hearing, orders and appeal shall be in accordance with section 16-41 of the Connecticut General Statutes.

(f) Each CATV company, which, upon reasonable belief and after notice and opportunity to be heard, is found by the department to have exceeded the number of complaints or ratio of complaints to subscribers as defined by section 16-333-9 (d) (3) of these regulations and has been found to have committed three (3) offenses within any eighteen month period pursuant to section 16-333-9 (e), shall be subject to additional fines pursuant to section 16-333-9 (e) or to franchise revocation, as determined by the department pursuant to public hearing. The procedures for notice, hearing, orders and appeal shall be in accordance with section 16-41 of the Connecticut General Statutes, however where a CATV company may be subject to a franchise revocation, such remedy may be made only after public hearing.

(g) If the department has reason to believe that a violation has occurred for which a CATV company may be subject to a civil penalty or franchise revocation, pursuant to sections 16-333-9 (d), 16-333-9 (e) or 16-333-9 (f) of these regulations, it shall

send to the violator by certified mail, return receipt requested, or by personal service, a notice which shall include:

- (1) A reference to the section of the statute, regulation or order involved;
- (2) A short and plain statement of the matters asserted or charged;
- (3) A statement of the amount of the civil penalty proposed to be imposed after notice and opportunity for a hearing; and
- (4) A statement of the party's right to a hearing and if franchise revocation is involved, notice of the time and place for a hearing.

(h) The CATV company to whom the notice of civil penalty is addressed, may, within twenty days from the date of receipt of notice, deliver to the department 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 is not greater than the penalty stated in the notice. If such a hearing is not so requested, or if such a request is later withdrawn, then the notice shall, on the first day after the expiration of such twenty day period or on the first day after withdrawal of such 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.

(i) All hearings under this section shall be conducted pursuant to section 4-177 to 4-184 inclusive of the Connecticut General Statutes. The final order of the department assessing a civil penalty or franchise revocation shall be subject to appeal under section 4-183 of the Connecticut General Statutes. Any civil penalty authorized by this section shall become due and payable upon the final decision of the authority becoming a final order pursuant to section 16-333-9 (h) of these regulations.

(Effective February 24, 1989)

Sec. 16-333-9a. Description of services

Each CATV company shall provide a description of all service offerings and all rates and charges to each subscriber, at the time of initial subscription and at least annually thereafter, and to the advisory council and the department, at least annually.

(Effective June 27, 1989; amended July 27, 1999)

Sec. 16-333-9b. Credit policies/late charges

Each CATV company shall provide each subscriber with a description of the company's customer credit policies, including any finance charges or late payment charges at the time of initial subscription and at least annually thereafter.

(Effective June 27, 1989)

Sec. 16-333-9c. Billing practices

Each CATV company shall provide each subscriber with a description of the company's billing practices at the time of initial subscription and at least annually thereafter. Such description shall include information on the following: (1) billing period and frequency, (2) security deposit requirements, (3) late payment charges, (4) returned check charges, (5) credits for service outages, (6) pay per view billing procedures, and (7) such other items as required by the Department.

(Effective June 27, 1989; amended July 27, 1999)

Sec. 16-333-9d. Notice to the department and subscribers of changes in billing

Each CATV company shall file a copy of its billing practices with the department and its advisory council and shall give notice to the department, its advisory council, and each subscriber not less than forty-five days prior to implementing any changes in said practices as filed pursuant to § 16-333-9c of these Regulations.

(Effective June 27, 1989)

Sec. 16-333-9e. Information on bills

Every bill to subscribers of CATV service shall contain the following: (1) the date on which any individually chargeable service is rendered; (2) each rate or charge levied; (3) the amount due for the current billing period, identified separately from any prior balance due; (4) the billing date, as defined in section 16-333-1 (i) of these Regulations, for the current billing period; (5) the specific date by which payment is due; (6) the company's telephone numbers, including any toll-free numbers; (7) the Department of Public Utility Control's consumer assistance telephone number, including its toll-free number; and (8) such other items as the Department may require.

(Effective June 27, 1989)

Sec. 16-333-9f. Subscriber complaint information

Each company shall provide each subscriber, at the time of initial subscription and quarterly thereafter, with a summary of the procedures for resolving subscriber complaints including notice of the subscriber's right to appeal, to the Department, the company's response to the contested disposition of the complaint pursuant to section 16-333-9o of these regulations as well as all provisions contained in sections 16-333-9l through 16-333-9o, and for providing refund or credit for service interruptions, pursuant to subsection (a) of section 16-333e of the General Statutes, and a notice indicating that, pursuant to the General Statutes, the company is required to restore interrupted service not later than twenty-four hours after being notified by a subscriber that service has been interrupted. Each bill insert or letter to subscribers, other than promotional material, shall contain the company's telephone numbers, including any toll-free numbers or any other free calling option, and the Department of Public Utility Control's consumer assistance toll-free number.

(Effective June 27, 1989)

Sec. 16-333-9g. Bill payment due date

No CATV company shall issue a bill which contains a statement that payment is due upon receipt. The payment due date of any subscriber's bills shall be no

earlier than twenty-five days after the billing date, as defined in section 16-333-1 (i) of these Regulations, of such bill.

(Effective June 27, 1989)

Sec. 16-333-9h. Determination of delinquency

No CATV subscriber's account shall be considered delinquent prior to twenty five days after the billing date, as defined in section 16-333-1 (i) of these Regulations, contained on the subscriber's bill.

(Effective June 27, 1989)

Sec. 16-333-9i. Late charge/termination notice period

No CATV company may impose a late charge or terminate service on account of non-payment of a delinquent account fewer than forty-five days from the original billing date, as defined in section 16-333-1 (i) of these Regulations. To impose a late charge or terminate service, a company shall first give notice of such delinquency and impending late charge or termination at least fifteen days prior to the imposition of the proposed late charge or the termination. Said notification must be served by first class mail addressed to the subscriber. The fifteen day period shall commence from the date the notice is mailed, provided no notice may be mailed until at least thirty days have elapsed from the billing date contained in the subscriber's bill.

(Effective June 27, 1989)

Sec. 16-333-9j. Maximum late charge penalty

No late charge imposed by a CATV company shall exceed eight percent per annum of the balance due.

(Effective June 27, 1989)

Sec. 16-333-9k. Return check charge

Any return check charge imposed by a CATV company shall be reasonably related to the company's actual cost of processing returned checks.

(Effective June 27, 1989)

Sec. 16-333-9l. Customer complaint procedure

Any CATV subscriber shall have forty-five days from the billing date contained on the subscriber's bill in which to register a complaint with a CATV company with respect to any alleged billing error or dispute. A billing complaint may be registered in person at the company's business office, by telephone or by mail.

(Effective June 27, 1989)

Sec. 16-333-9m. Company response to customer complaints

The CATV company shall provide an initial response, oral or in writing, to the subscriber not later than three days after receipt of said complaint. The company shall then provide a written proposal of the disposition of the complaint to the subscriber not later than fifteen business days following the company's receipt of the complaint.

(Effective June 27, 1989)

Sec. 16-333-9n. Procedures to contest disposition of complaint

The subscriber shall have ten days, from the receipt of the company's proposed disposition of the complaint, to contest the disposition. The notification by the customer that he is contesting the proposed disposition may be submitted in writing, in person at the company's business office, mailed to the company's business office

or made by telephone to the company's business office. The subscriber may present the company with additional information concerning the complaint. If additional information is presented by the customer to the company, the company shall review the information.

(Effective June 27, 1989)

Sec. 16-333-9o. Company response to contested disposition of complaint

When a customer has contested a company's proposed disposition of a complaint, as described in 16-333-9n above, the company shall review any additional information provided and notify the subscriber by first class mail of the company's final disposition within fifteen days of the date the subscriber contested the company's written proposal of disposition. Notice of the subscriber's right to appeal to the Department and the Department's address shall be included in the company's final disposition. Service to the customer shall *not* be terminated pending the outcome of the Department's review provided the subscriber shall pay current and undisputed bill amounts during the pendency of the complaint. No further notice of termination is required.

(Effective June 27, 1989)

Sec. 16-333-10. Termination for non-payment

No CATV company shall disconnect service to a subscriber for non-payment of a disputed bill during the pendency of any billing complaint, provided the subscriber shall pay current and undisputed bill amounts during the pendency of the complaint. Any action taken under this section shall be in accordance with the procedures contained in section 16-333-9i of the Regulations of Connecticut State Agencies.

(Effective June 27, 1989)

Sec. 16-333-10a. Department of public utility control review

The Department of Public Utility Control, upon written request of the subscriber, shall review the company's disposition of a billing complaint. The Department may review the procedures the company followed and the issues involved in the complaint and may prescribe and make such orders as the Department deems reasonable and necessary to resolve the complaint.

(Effective June 27, 1989)

Part VII

Rates and Accounting

Sec. 16-333-11.

Repealed, June 27, 1989.

Sec. 16-333-12. Accounting reports

Each CATV certificate holder shall keep account of its financial condition in accordance with a system of accounts to be prescribed by the commission. Each CATV certificate holder shall report to the commission, annually, on or before April first, its financial condition as of the thirty-first day of the preceding December, and the result of its operations, on forms furnished by the commission. Each CATV certificate holder shall make available such books, records, vouchers, memoranda, documents, letters, contracts or other papers relating to its operations and financial affairs as the commission may request.

Sec. 16-333-12a. CATV cost accounting requirements for municipalities

(a) Any municipality constructing, purchasing or operating a community antenna television company shall develop rules and maintain accounting records in accordance with the Cost Accounting Standards Board Part 9904 — Cost Accounting Standards, Allocation of Home Office Expenses to Segments, 57 Fed. Reg. 14,185 (1992) (to be codified at 48 C.F.R. § 9904.403), in order to fairly allocate costs and expenses between the operations of the CATV system and other operations of the municipality.

(b) The allocation rules developed shall be submitted to the Department of Public Utility Control for approval. Once an allocation method has been approved, it shall not be modified without the consent of the Department of Public Utility Control.

(Effective September 24, 1993)

Part VIII**Construction****Sec. 16-333-13. Minimum construction and extension requirements****(a) Definitions:**

(1) Franchise holder as used in this section means any CATV operator authorized to do business by the Public Utilities Control Authority.

(2) Primary franchise area used in this section means a single, contiguous area within the franchised territory, the outer limits of which shall be as near as possible to 80 residential dwelling units per mile of street or highway, and which shall have been selected by the franchise holder and approved by the DPUC.

(3) Residential dwelling unit (R.D.U.) as used in this section means any habitation used by a person or family unit as a primary place of abode on a year-round basis.

(4) Prospective subscriber as used in this section means any owner or occupier of a residential dwelling unit or commercial establishment who has agreed to purchase CATV service in accordance with the franchise holder's filed and approved tariffs.

(5) Aerial plan as used in this section means CATV cable and equipment other than individual service cable placed above ground on public service company poles or other supporting structures, aerial plant miles shall include any direct line distance spanned by microwave.

(6) Underground plant as used in this section means CATV cable and equipment other than individual service cable, placed in trenches.

(b) Mandatory construction:

(1) Each franchise holder shall, within six months of award of a certificate of public convenience and necessity (franchise) or within six months of the effective date of these regulations, whichever is later, commence construction of the CATV system unless a longer period of time is deemed reasonable by the DPUC.

(2) Each franchise holder shall, within one year of commencing construction, complete construction of energized trunk and feeder throughout the primary franchise area, without regard to aerial or underground plant.

(c) Obligation to extend:

(1) Each franchise holder shall, within one year of completion of the required construction in the primary franchise area, complete construction of energized trunk and feeder to all areas where there are at least 70 R.D.U.'s per aerial plant mile of extension, at no charge to subscribers.

(2) Each franchise holder shall, upon completion of the construction required in c. 1. above, extend energized trunk and feeder, at no charge, to all areas within the franchise territory where there are at least: 1) 25 prospective subscribers per aerial plant mile extension or 2) 50 prospective subscribers per underground plant mile of extension. The construction required by this section shall be completed at a rate specified in the company's tariffs, filed pursuant to subsection (d) of these regulations and approved by the DPUC.

(d) Tariffs:

(1) Each franchise holder shall, within 30 days of the effective date of these regulations, or within 30 days of award of a certificate of public convenience and necessity, whichever is later, file proposed tariffs or tariff revisions which shall specify the obligation of the franchise holder regarding service to all areas where such service is not provided for in these regulations.

(2) All tariffs and tariff revisions are subject to approval by the DPUC.

(3) These revised regulations shall not affect any application for a CATV franchise currently filed before the DPUC as of the effective date of these regulations, but shall apply to any certificate subsequently awarded.

(Effective September 4, 1980)

Sec. 16-333-13a. Application

These construction standards apply to community antenna television systems when the franchised CATV company enters into a pole attachment agreement with the established public utility providing electric or telephone facilities in the area.

(Effective November 25, 1969)

Sec. 16-333-13b. Minimum requirements

Construction specifications not covered by these regulations or specific orders of the commission shall be governed by requirements of sections 16-11-100 to 16-11-152, inclusive, and the National Electrical Safety Code (NESC), 1984 edition, as may be from time to time amended.

(Effective April 22, 1986)

Sec. 16-333-14. Petition and supporting data

No CATV cable or extensions shall be constructed without prior commission approval. Petition for such approval shall be submitted to the commission at least thirty days prior to the proposed date of construction and shall furnish the following information:

- (a) The location of the proposed construction;
- (b) the names of all public service companies and municipalities involved;
- (c) a map showing routes of the television cable;
- (d) the location of amplifiers, power supplies, television tower and all other major components of the television cable system.

(Effective November 25, 1969)

Part IX

Attachment of CATV Systems to Poles

Sec. 16-333-15. Clearances

(a) Vertical runs of CATV cables or wire shall be arranged to avoid interference with safe use of existing pole steps.

(b) Vertical and horizontal runs of CATV cables or wire on poles shall provide a minimum separation of two inches from vertical and horizontal runs of power conductors.

Sec. 16-333-16.

Repealed, November 25, 1969.

Sec. 16-333-16a. Separation at the pole

(a) CATV equipment located above or within four feet of the highest telephone cable or multiple line wire shall be mounted on extension arms placed perpendicular to the run of the cable. When such CATV equipment is mounted on an extension fixture, it shall be located on the side of the extension fixture away from the pole with a minimum horizontal separation of thirty inches from the pole surface.

(b) CATV equipment located below and at a distance greater than four feet from the highest telephone cable or multiple line wire may be mounted on the pole surface or on an extension arm placed perpendicular to or parallel to the run of cable. Such equipment shall be located outside of the climbing space.

(c) Amplifiers and associated equipment such as couplers, splitters, combiners, equalizers, taps and bridging terminals, etc., may be strand mounted above telephone facilities. A minimum of four inches of clearance shall be maintained between the lowest point of the CATV equipment and the telephone cable, multiple line wire or equipment.

(d) CATV attachments shall have a minimum separation of four inches from telephone attachments except as follows: CATV cable shall be located above and at a minimum distance of twelve inches from the highest telephone cable or multiple line wire. When the CATV cable is attached to an extension arm fixture, such cable may be located at the same level as the highest telephone cable.

(e) CATV drip loops shall have a minimum separation of four inches from telephone cable, multiple line wire or equipment.

(f) CATV pole-to-building cables and drop wires, where they leave the pole surface, shall be at least four inches above the highest telephone cable or multiple line wire attachment.

(g) No through bolt shall be installed with less than four inch separation from a parallel through bolt at the pole. Perpendicular through bolts may be installed with two inch minimum separation.

(h) CATV cables attached to poles supporting telephone facilities shall have a distinctive, readily visible means of identification attached to the CATV cable at each pole.

(i) When it is proposed to place CATV attachments on a pole which supports power attachments only, for the purposes of this docket, said CATV attachments shall be located on the pole with the same clearances that would otherwise be required if a telephone cable were attached to the pole at a distance of four and one-half feet below the lowest power attachment.

(Effective November 25, 1969)

Sec. 16-333-17.

Repealed, November 25, 1969.

Sec. 16-333-17a. Separation in the span

(a) These clearances apply under the following conditions: Temperature of 60°F, no wind, with the cable or wire at its final unloaded sag.

(b) For the purpose of this section, the span shall be considered as starting four feet from the surface of the pole.

(c) In pole to pole spans, CATV cables, equipment and associated drip loops shall be at least twelve inches from telephone cable or multiple drop wire.

(d) Pole to pole or pole to building span crossings involving CATV and telephone facilities on different supports are required to have a minimum clearance of two feet.

(e) In pole to building spans, CATV cable or drop wire shall be at least twelve inches from telephone cable, multiple line wire or drop wire except where within four feet of the surface of the pole the clearance may be reduced to four inches.

(f) In span tap to building spans, CATV cable or drop wire shall be at least twelve inches from telephone cable, multiple line wire or drop wire where the CATV and telephone cable or wire are attached to the same supports.

(Effective November 25, 1969)

Sec. 16-333-18. Attachment to buildings

(a) The minimum separation between the first point of CATV attachment and the first point of telephone attachment shall be six inches.

(b) The minimum separation between the first point of CATV attachment and the first point of power company attachment shall be twelve inches.

(c) The minimum separation between CATV wires and telephone and/or power wires running along building walls shall be four inches.

(d) The company shall make reasonable efforts to consult with the property owner or his or her agent to determine the point of attachment and the routing of both interior and exterior cable. If prior agreement with the property owner or his or her agent has not been made, the point of attachment shall be located so as to minimize the length of cable required on or within the building, taking into consideration aesthetics, technical requirements and maintenance.

(e) The building hook which attaches the CATV service drop to the building shall be designed in such a manner and screwed into the building solidly enough so that the hook will fail before it pulls out of the building.

(f) External CATV building wiring shall be arranged as neatly and unobtrusively as is reasonably possible. Cable shall be hidden by placing it next to chimneys and under eaves whenever possible. If cable cannot be hidden it should be run parallel to the architectural features of the building. For aluminum or vinyl siding, specially-designed clips, which do not puncture the siding, shall be used to attach cable. Clips shall be spaced at close enough intervals to prevent the cable from sagging between clips. Cable shall not be placed inside gutters or downspouts.

(g) The company shall determine where sets are to be located prior to making entrance to any building. The company shall exercise reasonable care during the drilling of entrance holes to prevent damage to siding and inner walls, and to avoid drilling into wires and pipes. Clearance holes shall be drilled through asbestos shingles for the nails to attach cable clips. Entrance holes shall be sealed around the cable with RTV silicone sealing compound, or its equivalent, and a "drip loop" of not less than 4 inches shall be maintained.

(h) Inside wire shall not be installed under carpet or rugs or at a location or in such a manner as to constitute a hazardous condition. Reasonable efforts shall be made to secure long runs of interior cable to baseboards or woodwork with clips or other means which minimize permanent damage to the dwelling unit. Where wiring exists inside a dwelling in a finished wall, a wall plate shall be employed and, where practical, shall be positioned at the same height above the floor as

electrical outlets. In all installations, 6 to 8 feet of unsecured cable shall be left to permit moving of the set without disconnecting it from the cable.

(i) The company shall complete installations, making reasonable efforts to leave buildings and grounds in the same condition they were in prior to the installation. Any damage to the building and surrounding grounds shall be repaired. This shall include the careful replacement of material that was removed for trenching, the patching of driveways, and the seeding and landscaping of property where damage has occurred as a result of the installation.

(Effective September 17, 1986)

Sec. 16-333-19. Climbing space

(a) Climbing space consisting of a horizontal area of thirty inches square extending vertically not less than forty inches above and below cables, conductors, crossarms or other communication attachments shall be provided on all poles.

(b) The climbing space shall be a continuation of the existing climbing space through telephone facilities.

Sec. 16-333-20. Electrical equipment requirements

(a) A fused disconnecting means or a circuit breaker device of the lowest current rating consistent with the load requirements of the ****power supply* shall be provided for power service to the ****power supply*. This device may be included within the ****power supply* housing or it may be in a separate weatherproof enclosure. such enclosure shall be acceptable to the power company.

(b) Where the power service protective device is in an enclosure which is external to and not part of the ****power supply* case, this enclosure and the ****power supply* case shall be made electrically continuous by a means other than the power service neutral conductor.

(c) Properly identified line and neutral terminals for connecting electrical service conductors shall be provided. All power service connections at the CATV ****power supply* shall be such as to preclude the possibility of a reversal in polarity.

(d) CATV *power supply* equipment shall be designed so as to provide a *separate, permanent* electrical interconnection between the service neutral conductor *terminal*, metallic enclosure ***and the CATV cable strand.

(Effective November 25, 1969)

Sec. 16-333-21. Bonding and grounding

CATV cable strand shall be bonded to the telephone cable strand or the multiple line wire support strand at the first and last joint pole, and at every amplifier and *power supply* location, with the distance between the bond points not to exceed ten sections. Where there are no telephone facilities present and the power system is multi-grounded neutral, the CATV cable *strand* shall be bonded to a vertical grounding conductor of the power system multi-grounded neutral at approximately one quarter mile intervals.

(b) The outer conductor of the CATV coaxial service drop shall be grounded at the subscriber's location in accordance with requirements as specified by the National Electrical Code. Where a ground rod is used for grounding, an interconnection shall be made between the CATV ground rod and the existing power system ground.

(c) Where a supporting strand is required for the CATV service drop, such strand shall be bonded to the CATV cable strand.

(Effective November 25, 1969)

Sec. 16-333-22. Strength requirements

(a) The supporting strand for CATV cable shall be adequate to support the load to which it may be subjected, and to maintain the required ground clearance or mid span separation from telephone cables or wires. The strand shall have a minimum breaking strength of six thousand pounds and shall not be stressed to more than sixty per cent of rated breaking strength under the maximum load to which it may be subjected, including heavy storm loading.

(b) The supporting wire or strand for CATV service drop, or self-supporting CATV service cable, shall have adequate strength to withstand the stresses imposed under heavy storm loading conditions.

(Effective November 25, 1969)

Sec. 16-333-23. Diagrams for pole attachments

The attached nine diagrams, designated as Appendix Aa, are furnished for illustrative purposes.

APPENDIX A

ATTACHMENT OF CATV SYSTEMS TO POLES

Repealed. (Effective November 25, 1969)

APPENDIX Aa

ATTACHMENT OF CATV SYSTEMS TO POLES

The attached pole head diagrams are intended to illustrate mounting arrangements of CATV facilities to poles. They should not be construed as being wiring arrangements.

INDEX TO PLATES

- Plate 1 CATV and telephone cable on same side of pole.
- Plate 2 CATV and telephone cables on opposite sides of pole.
- Plate 3 CATV cable with strand mounted equipment on same side of pole as telephone cable.
- Plate 4 CATV and telephone cables on opposite sides of pole with strand mounted CATV amplifier.
- Plate 5 CATV and telephone cables on same side of pole with extension arm mounted amplifier or power supply above telephone cable.
- Plate 6 CATV and telephone cables on opposite sides of pole with crossarm mounted amplifier or power supply less than four feet below telephone cable.
- Plate 7 CATV cable mounted on extension arm above telephone cable.
- Plate 8 Top views showing climbing space.
- Plate 9 Top view showing climbing space.

(Effective November 25, 1969)

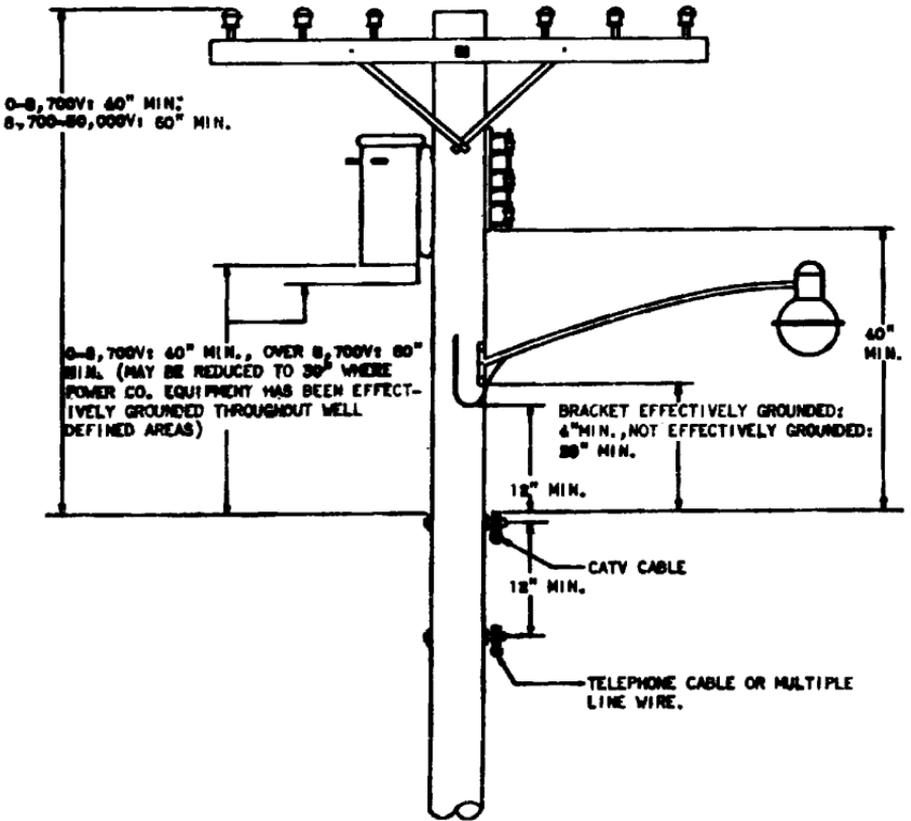


Plate 1

CATV and Telephone Cable on Same Side of Pole

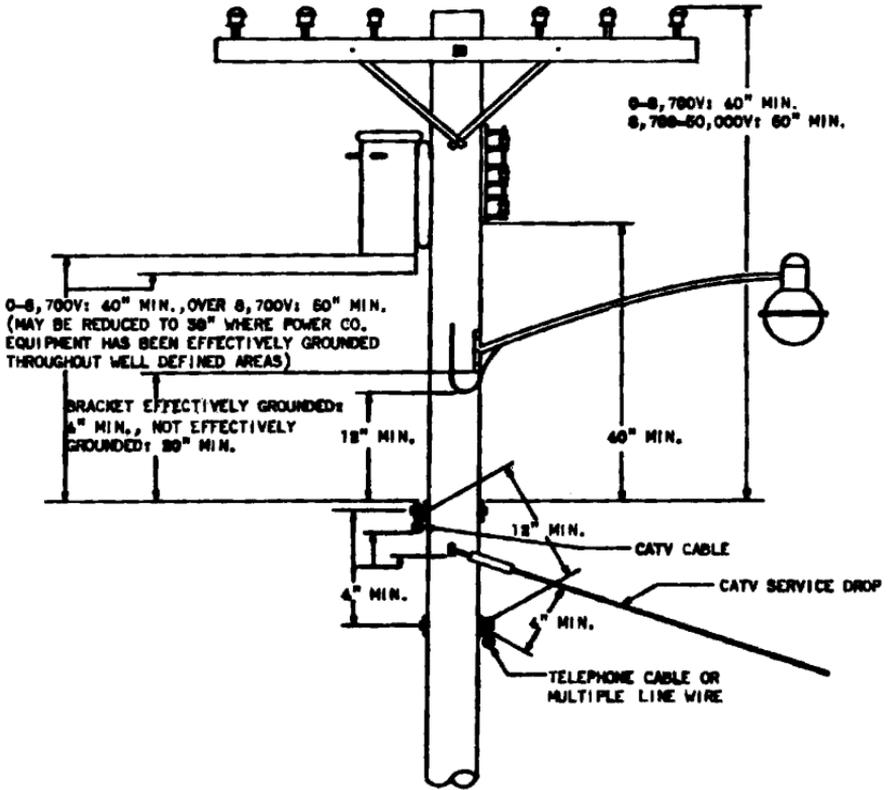


Plate 2

CATV and Telephone Cables on Opposite Sides of Pole

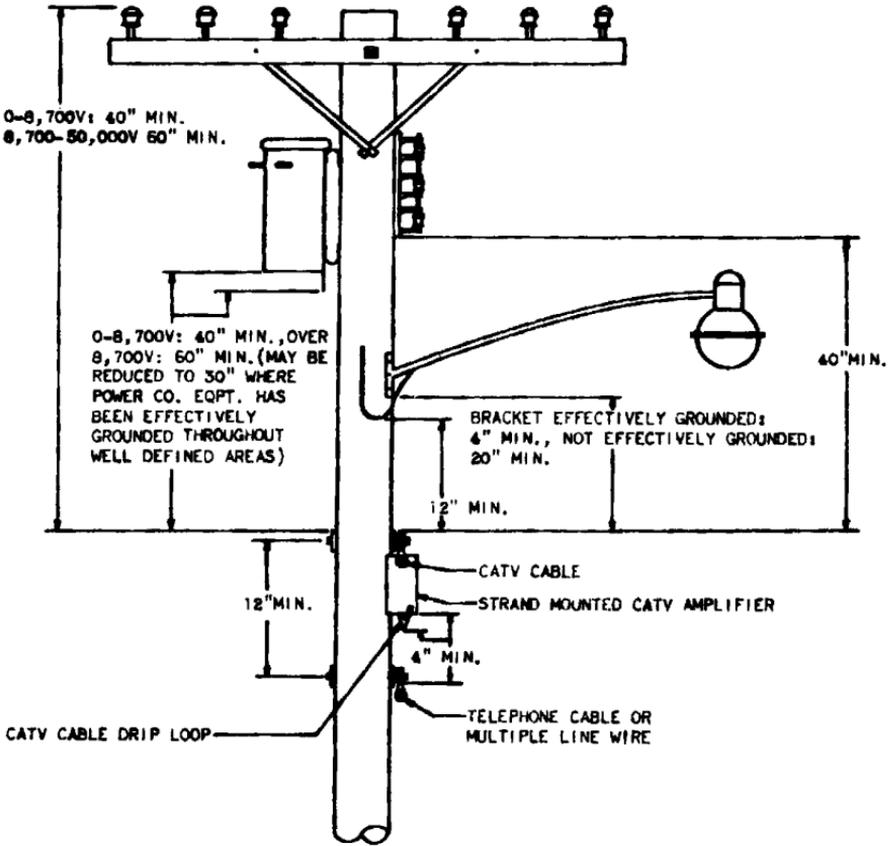


Plate 3

CATV Cable with Strand Mounted Equipment on
Same Side of Pole as Telephone Cable

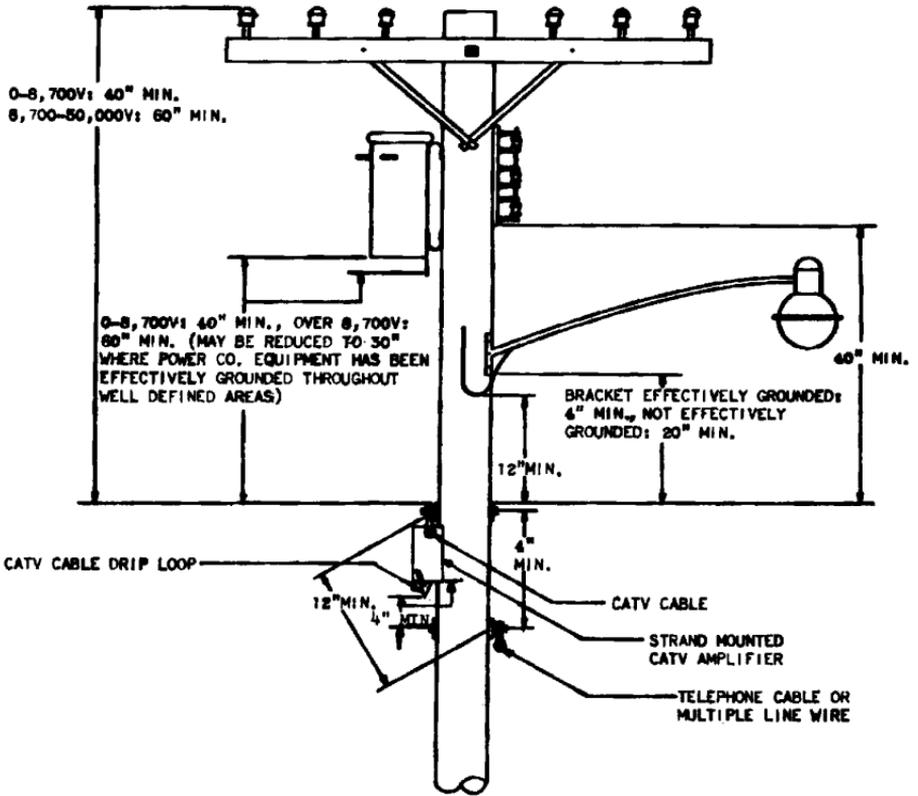


Plate 4

CATV and Telephone Cables on Opposite Sides of Pole with Strand Mounted CATV Equipment

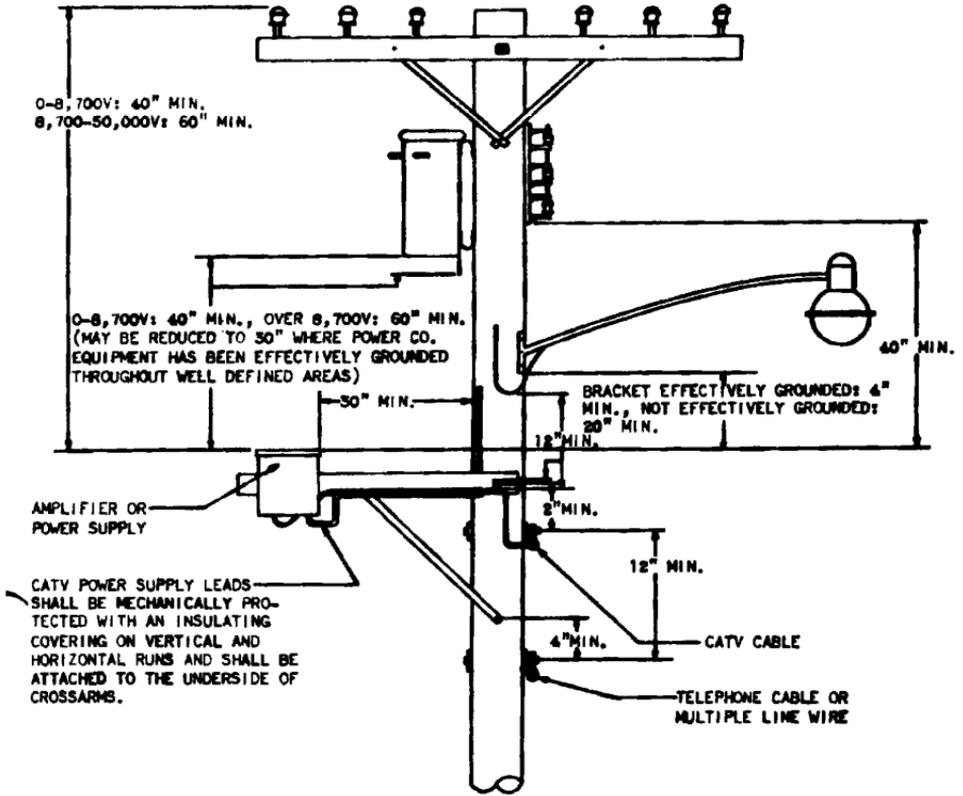


Plate 5

CATV and Telephone Cables on Same Side of Pole with Crossarm Mounted Amplifier and/or Power Supply above Telephone Cable

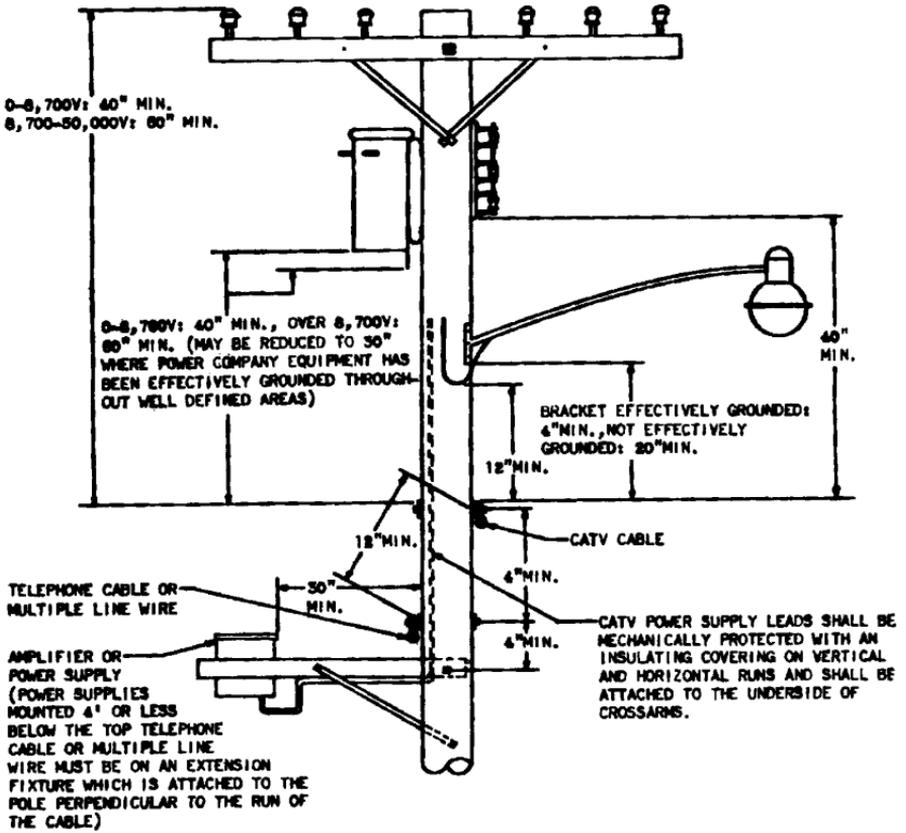


Plate 6

CATV and Telephone Cables on Opposite Sides of Pole with Crossarm Mounted Amplifier and Power Supply Less Than 4' Below Telephone Cable

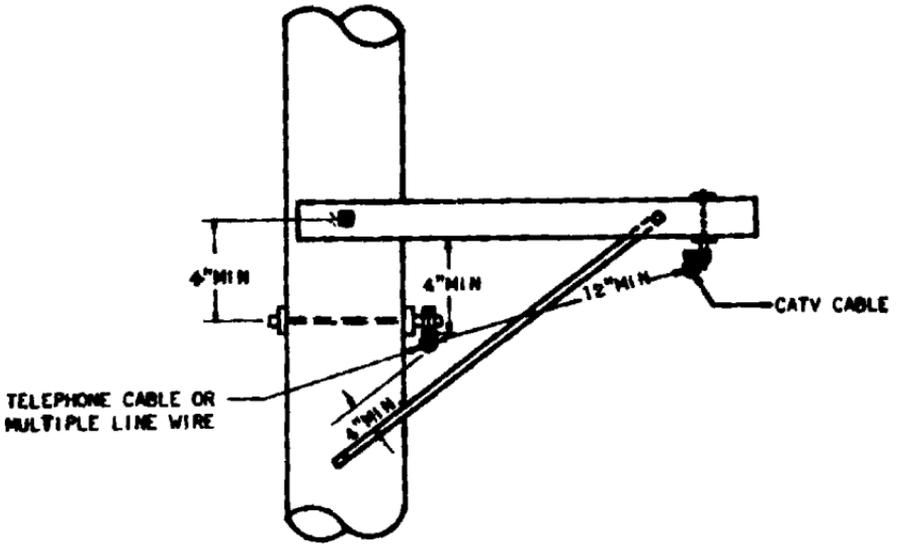


Plate 7

CATV Cable Mounted on Extension Arm
Above Telephone Cable

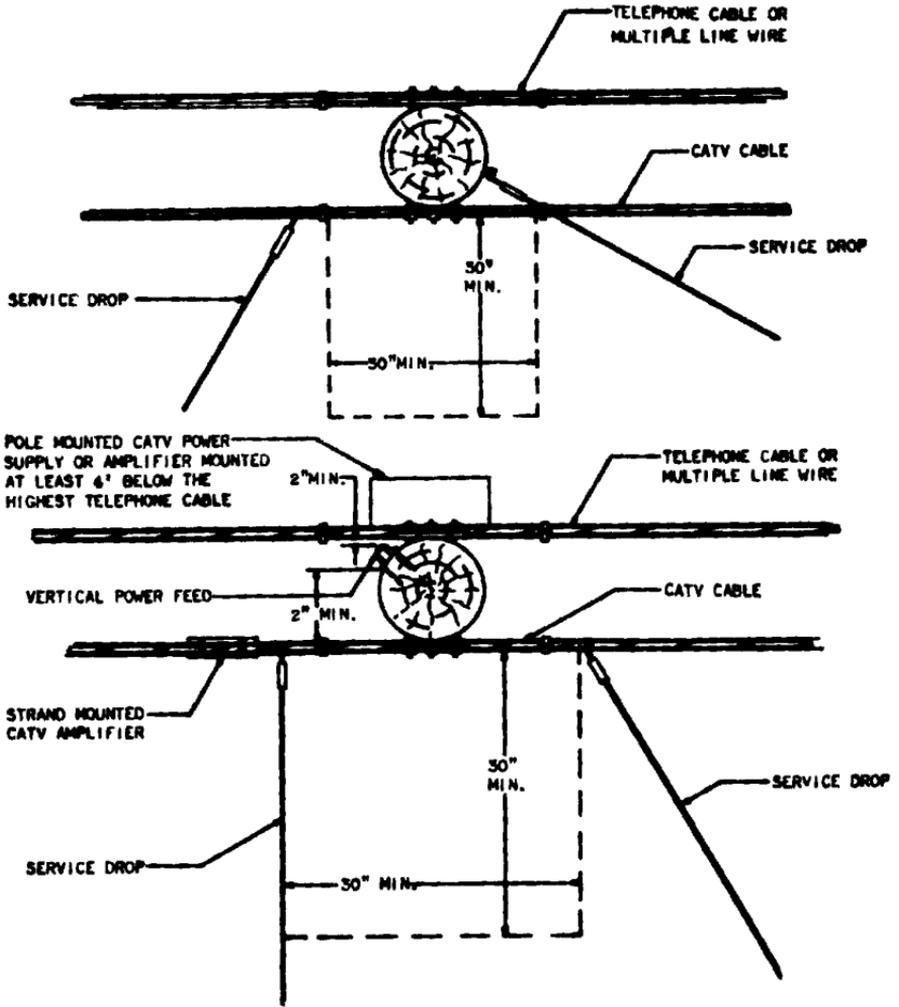


Plate 8

Top Views Showing Climbing Space

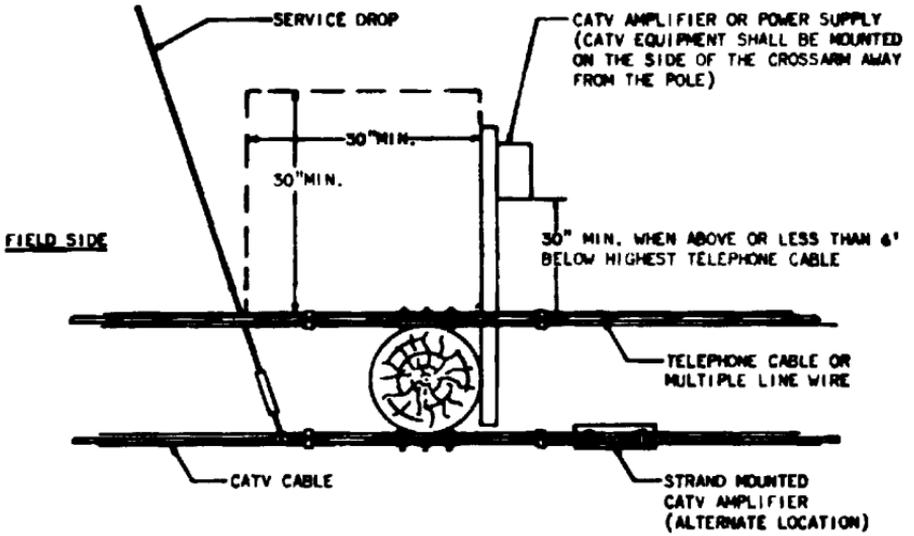


Plate 9

Top View Showing Climbing Space

ESTABLISHMENT OF ADVISORY COUNCILS FOR CABLE TELEVISION FRANCHISE AREAS

Sec. 16-333-24. Establishment of cable television advisory council

There shall be established a cable television advisory council, hereinafter referred to as advisory council, consisting of representatives of the towns in each area where the Public Utilities Commission has granted a certificate of public convenience and necessity to a cable television company as franchise holder under authority of Chapter 289 of the General Statutes.

(Effective April 23, 1974)

Sec. 16-333-25. Appointment of advisory council members

The members of each advisory council shall be appointed as follows:

(a) The chief elected official of each town in the franchise area shall appoint one or more members who are residents of said town in accordance with the population of said town as determined by the most recent United States census in the following manner:

(1) In towns having a population of less than 5,000 - one member.

(2) In towns having a population of at least 5,000 but less than 20,000 - two members.

(3) In towns having a population of at least 20,000 but less than 50,000 - three members.

(4) In towns having a population of 50,000 or more - four members.

Insofar as is possible said appointments should reflect and be representative of the cultural, educational, ethnic and economic makeup of the population inhabiting said towns.

(b) The board of education in each town in the franchise area shall appoint one member of the advisory council. Such member shall reside in said town or be a member of said board of education, or be employed by said board of education.

(c) One member shall be appointed to the advisory council in each franchise area to represent all of the libraries of general public use located in the towns within that franchise. In the town in the franchise area having the largest population therein, as determined by the most recent United States census, the public library board charged with oversight and management of the town's public library as defined by Section 11-24a(b) of the General Statutes shall appoint the advisory council member. In the event there is no public library board in charge of the public library in that town, or if the library of general public use in that town, is a private eleemosynary library, or if no library in either category is located in that town, then said advisory council member shall be appointed by the chief elected official of said town. The advisory council member appointed hereunder shall be either a library board member of a professional library staff employee of a public library or a private eleemosynary library of general public use in a town within the franchise area.

(d) The franchisee shall appoint one member, who shall possess some expertise in the field of cable television and who shall serve without vote on the advisory council.

(e) Appointment of advisory council members pursuant to subsections (a) through (d), of this section, shall be subject to the following limitations:

(1) No paid employee of a nonprofit organization providing community access operations may serve on an advisory council.

(2) No employee of a CATV company, its subsidiaries or affiliates may serve on an advisory council except in the position of franchise representative serving without vote.

(3) At least one seat, but no more than 25 percent of the total seats to which appointments may be made to an advisory council may be filled by persons who also are members of a board of directors of a nonprofit organization providing community access operations.

(4) Advisory council members who also serve as a member of a board of directors of a nonprofit organization providing community access operations shall recuse themselves from voting on any financial matters related to their access organization.

(Effective April 23, 1974; amended March 31, 1999)

Sec. 16-333-26. Term of advisory council members

Each member of the advisory council shall serve for a term of two (2) years from the first day of July in the year in which such member is appointed. If an advisory council member has three consecutive unexcused absences or does not attend 50 percent of meetings duly noticed and held within a 12 month period, then the member will be deemed to have resigned from the council.

(Effective April 23, 1974; amended March 31, 1999)

Sec. 16-333-27. Vacancies of advisory council members

Any vacancies for an unexpired term may be filled by the respective appointing authority in each instance to complete and serve out the remainder of the current term for which the vacating member was appointed.

(Effective April 23, 1974)

Sec. 16-333-28. Compensation

Members of the advisory council shall serve without compensation.

(Effective April 23, 1974)

Sec. 16-333-29. Election of officials and meetings

Each advisory council shall elect its own chairman, vice-chairman and secretary. The council shall meet regularly at least bi-monthly. Special meetings may be called by the chairman or by the majority of the members upon due notice to all members of the advisory council.

(Effective April 23, 1974)

Sec. 16-333-30. Function of council

Each advisory council may give advice to the management of the cable television company upon such matters affecting the public as it deems necessary. Each advisory council shall annually on a date not later than the thirty-first day of January, file a written report with the Department of Public Utility Control concerning its activities for the preceding twelve month period ending December 31.

(Effective April 23, 1974; amended March 31, 1999, October 7, 2004)

Cable Television Public Access Channels

Sec. 16-333-31. Definitions

As used in Secs. 16-331a-2—16-331a-5, inclusive:

(1) “Franchise Holder” means the holder of a certificate of public convenience and necessity to construct and operate a CATV system, under the provisions of section 16-31 of the General Statutes.

(2) Public access refers to the use of a cable television channel for non-commercial programming by any person.

(3) "Person" means any individual, corporation, joint venture, public benefit corporation, political subdivision, governmental agency or authority, municipality, partnership, association, trust or estate and any other entity, public or private, however organized.

(4) "Educational access" means the use of a community access channel for non-commercial educational programming.

(5) "Governmental access" means the use of a community access channel for non-commercial governmental programming.

(6) "Community access" includes public access, educational access and governmental access, as defined in subsections (b), (d) and (e) of this section.

(7) "Access user," "access channel user" and "user of access channel" means any person other than a franchise holder's employee or paid consultant, who is involved in the development, production, showing, promotion or support of community access programming.

(8) "Equipped studio" for the purposes of Section 16-331a-11, shall mean the following:

(1) (A) a production room with ceiling height adequate to mount lighting equipment necessary for good quality production of video programming;

(B) two cameras having a minimum 350 lines of horizontal resolution and equipped with studio view finder, external synchronization capability and remote lens control;

(C) lighting equipment, microphones, intercom system, tripods, and microphone mixers sufficient for good quality production of video programming;

(2) (A) a control room, separate from the production room with adequate sound insulation and space and cable casting equipment sufficient to enable the good quality production and effective showing of video programming, including, but not limited to, the following equipment: three color capable video tape recorders, with video output jack, minimum 60 minute recording time, minimum 240 lines of resolution, and minimum of two audio tracks, at least two of which must be capable of forming an editing system with a controller, and capable of assemble and insert edit;

(B) two monitors with a minimum of nine inch screens; switching equipment and a sixteen-page character generator;

(C) an editing room, separate from the production and control rooms, unless the room is of sufficient size to provide for the editing and control functions to occur simultaneously in the same room without adverse impact to either function, with space and equipment sufficient to enable the effective editing of programming.

(Effective May 19, 1982; amended September 26, 1996)

Sec. 16-333-32.

Transferred to § 16-331a-2.

(Effective September 26, 1996)

Sec. 16-333-33. Equipment and technical assistance

Each franchise holder, upon reaching a minimum of 3,500 subscribers, shall make available to the users of the access channels the following:

(a) Studio facilities necessary for good quality production of live programming.

(b) Technical assistance as required.

(c) At a minimum, a character generator, a portable color camera and a video tape recorder to program the access channel(s) as required. The department may require more than the minimum level of equipment (see section 16-331a-4.)

(Effective May 19, 1982; amended September 26, 1996)

Community Access Support

Sec. 16-333-33a. Community access support definitions

(a) "Access user" for the purposes of section 16-331a-11 and 16-331a-12 shall mean any person, other than a company's employee or paid consultant, who is involved in the production, showing, promotion, or support of community access programming.

(b) "Community access" for the purposes of sections 16-331a-11 and 16-331a-12, shall mean the same as public access as defined in section 16-333-31, including the conception, production, editing, and showing of programming by an access user. No company shall exert editorial control over the content of such programming.

(c) "Equipped studio" for the purposes of section 16-331a-11, shall mean the following: (1) (A) a production room with ceiling height adequate to mount lighting equipment necessary for good quality production of video programming; (B) two cameras having a minimum 350 lines of horizontal resolution and equipped with studio view finder, external synchronization capability and remote lens control; (C) lighting equipment, microphones, intercom system, tripods, and microphone mixers sufficient for good quality production of video programming; (2) (A) a control room, separate from the production room with adequate sound insulation and space and cablecasting equipment sufficient to enable the good quality production and effective showing of video programming, including, but not limited to, the following equipment: three color capable video tape recorders, with video output jack, minimum 60 minute recording time, minimum 240 lines of resolution, and minimum of two audio tracks, at least two of which must be capable of forming an editing system with a controller, and capable of assemble and insert edit; (B) two monitors with a minimum of nine inch screens; switching equipment and a sixteen-page character generator; (C) an editing room, separate from the production and control rooms, unless the room is of sufficient size to provide for the editing and control functions to occur simultaneously in the same room without adverse impact to either function, with space and equipment sufficient to enable the effective editing of programming.

(Effective July 2, 1987; amended September 26, 1996)

Sec. 16-333-33b.

Transferred to § 16-331a-11.

(Effective September 26, 1996)

Sec. 16-333-33c.

Transferred to § 16-331a-12.

(Effective September 26, 1996)

Sec. 16-333-34.

Transferred to § 16-331a-3.

(Effective September 26, 1996)

Sec. 16-333-35.

Transferred to § 16-331a-4.

(Effective September 26, 1996)

Sec. 16-333-36.

Transferred to § 16-331a-5.

(Effective September 26, 1996)

CATV Basic/Premium Allocation Provisions

Sec. 16-333-37.

Repealed, September 24, 1993.

Sec. 16-333-38. Informal renewals

(a) A franchise holder may submit an application to the Public Utilities Control Authority for approval of a proposal for the renewal, extension, or transfer of a certificate, pursuant to Connecticut General Statutes section 16-331, at any time. A proposal for renewal, extension or transfer of a certificate submitted under this section of the regulations shall not be complete unless it contains information as required by section 16-333-40 (b) of these regulations. Such information shall be provided either in the statement of application or as exhibits annexed thereto and accompanying the application.

(b) Upon submission of the proposal for renewal, extension or transfer of a certificate by a franchise holder pursuant to this section of the regulations, the department may, after holding a public hearing and consulting with the Advisory Council, grant or deny such proposal at any time, including after proceedings pursuant to section 16-333-39 of these regulations have commenced.

(c) The denial of a renewal, extension, or transfer of a certificate proposal submitted under this section shall not affect action on any proposal that is submitted in accordance with section 16-333-39 of these regulations.

(Effective June 27, 1989)

Sec. 16-333-39. Formal renewal proceedings, initial procedures

(a) During the 6-month period which begins with the 36th month before and ends with the 30th month prior to the expiration of the franchise, the department may on its own initiative, and shall upon request of the franchise holder, commence proceedings for renewal of a franchise.

(b) Upon the request of the franchise holder or upon its own motion pursuant to the provisions of section 16-333-39 (a) of these regulations, the department shall commence a proceeding, after affording the public in the franchise area appropriate notice, after holding a public hearing and in consultation with the affected local Cable Advisory Council, for the purpose of:

- (1) identifying the future cable-related community needs and interests; and
- (2) reviewing the performance of the franchise holder during the then current franchise term.

(c) Upon the request by the franchise holder or upon order from the department to commence a proceeding for a renewal, extension or transfer of a certificate pursuant to this section, the franchise holder shall file the following information with the department:

- (1) a copy of the current safety manual in use by the company;
- (2) copies of proof-of-performance tests performed during the preceding three years;
- (3) a copy of the franchise holder's Federal income tax returns for the previous three years;
- (4) a copy of the State of Connecticut corporation business tax returns for the previous three years;
- (5) information regarding State of Connecticut Gross Receipts tax for the previous three years;

(6) information regarding the amount of municipal or local property taxes paid for each of the previous three years;

(7) the annual reports of the franchise holder, and holding company which controls the franchise holder if applicable, for each of the previous three years;

(8) a statement of the financial condition of the franchise holder and holding company which controls the franchise, holder, if applicable;

(9) current system maintenance practices;

(10) information as to current customer service and protection practices and procedures, including information as to the franchise holder's practices and procedures for responding to customer inquiries and complaints including a summary of subscriber complaints, by category for the previous three years; penalties imposed for interrupted service, if any, during the course of the franchise term; disconnection practices, rebates, credits, repair and response deadlines; billing information; and procedures to ensure subscriber's right to privacy;

(11) current means to monitor performance and compliance with franchise terms;

(12) results of a subscriber satisfaction survey conducted within the 12 months prior to commencement of the renewal process;

(13) statement of number of dwelling units in franchise area, the number of dwelling units connected for service, and the number of dwelling units passed;

(14) summary of all significant service interruptions and reasons therefore for the last three years;

(15) current services provided for Public, Educational and Governmental programming including the funds expended for such services, the equipment provided, and training programs conducted for the public;

(16) current services provided for the handicapped;

(17) current equal opportunity and affirmative action policies;

(18) insurance coverage currently in effect and the renewal dates for said coverage; and

(19) such other information as the Department may deem as appropriate.

(d) The department shall complete the proceeding initiated under this section in the case of a renewal application, no later than the 4th month prior to the franchise expiration date.

(Effective June 27, 1989)

Sec. 16-333-40. Proposal for renewal-submission

(a) Upon completion of the proceeding under section 16-333-39 of the Regulations of Connecticut State Agencies, the franchise holder may on its own initiative and upon request of the department submit a Proposal for Renewal.

(b) The proposal for franchise renewal, extension, or transfer shall include, but not be limited to information as to how the franchise holder intends to adequately meet the cable-related community needs and interests, including information as to:

(1) proposed system upgrades for greater channel capacity and advanced technological improvements and anticipated effect on subscriber basic rates for the next three years;

(2) proposed construction financing arrangements;

(3) proposed construction timetable and practices including proposed line extension throughout the franchise area;

(4) proposed facilities and equipment including system capabilities, design, and technical performance standards;

(5) proposed mix, quality, and level of services;

(6) proposed channel capacity for Public, Educational and Governmental use, including access channels, facilities, support services, staff for the access studio and training of the public in use of equipment;

(7) proposed system maintenance practices;

(8) proposed means to monitor performance and enforce compliance with franchise terms for the renewed franchise;

(9) proposed provisions for services for the handicapped;

(10) a statement confirming that the franchise holder has the financial ability to comply with provisions of its proposal for renewal;

(11) proposed term of franchise and service area;

(12) proposed equal opportunity and affirmative action policies;

(13) proposed insurance coverage;

(14) such other information as the department, after completion of the proceeding pursuant to section 16-333-39, may deem appropriate; and

(15) any information available to the franchise holder, relevant to the departments determination of the appropriate community access support amount.

(c) Upon submission of the cable operator's proposal the department shall:

(1) promptly provide notice to the public that the proposal has been submitted for consideration;

(2) commence evaluation of the proposal and, within four months of the completion of the proceeding under section 16-333-39 of these regulations, the department shall either issue a decision to renew, extend or transfer the certificate or issue a preliminary finding that the application for the renewal, extension or transfer shall be denied; and

(3) conduct a hearing, as defined in section 16-1-2(d) of the Regulations of Connecticut State Agencies to establish the amount that the franchise holder or organization responsible for community access shall receive for such operation from each mypd within a franchise area.

(d) If a preliminary decision not to renew has been issued, the department shall commence a further review proceeding as provided in section 16-333-41 of these regulations.

(Effective June 27, 1989; amended September 26, 1996)

Sec. 16-333-41. Administrative proceeding for renewal criteria and procedure

(a) If the department, after evaluation of a franchise holder's proposal pursuant to section 16-333-40 (c) (2) of these regulations, makes a finding that the franchise should not be renewed, a hearing shall be scheduled where the qualifications of the franchise holder shall be evaluated in accordance with the following criteria:

(1) whether the franchise holder has been in substantial compliance with the material terms of the franchise and applicable law;

(2) whether the quality of the cable service is reasonable in light of the community needs;

(3) whether the franchise holder has the financial, legal, and technical qualifications to deliver on its renewal proposal;

(4) whether the renewal proposal is reasonable to meet the future community needs and interests considering the costs.

(b) The hearing under this section of the regulations must commence within the four month period after conclusion of the initial assessment proceeding pursuant to section 16-333-39 of these regulations. Prompt notice must be issued to the public although participation is limited to the franchising authority and the franchise holder.

(c) During the review proceeding the franchising authority and the franchise holder have the right to full participation including the right to introduce evidence, conduct discovery, issue subpoenas, cross-examine witnesses, and request a transcript.

(d) Upon completion of the hearing under this section, the department must issue a written decision based on the record and setting forth the reasons for the granting or denial of the renewal, and transmit said decision to the franchise holder. Any decision of denial shall be based on an adverse finding on at least one of four criteria as stated in section 16-333-41 (a) (1) through 16-333-41 (a) (4) of these regulations, provided that if the adverse finding is of substantial failure to comply with a material franchise term or service quality, prior notice and opportunity to cure must have been given to the franchise holder. Any adverse finding shall be deemed void if the franchising authority waived its right to object to the infraction or acquiesced in the commission of the infraction.

(e) The final decision to grant or deny the renewal must be rendered prior to the expiration date of the franchise.

(Effective June 27, 1989)

Sec. 16-333-42. Quality standards for instructional and educational channels

The department, in evaluating educational and/or instructional programming, shall consider the following, without limitation:

(1) the technical quality and reliability of the instructional channel required pursuant to subsection (a) of Section 16-333h of the General Statutes of Connecticut and any other public, educational or governmental access channel available for educational programming provided by the franchise holder pursuant to its franchise agreement or other federal or state law or regulation which includes educational programming, and billing services available to all subscribers and services of a closed system;

(2) the quality and availability of community access training and technical assistance provided to educators, educational institutions and educational agencies in the franchise area, and amount of time of access to production facilities;

(3) the condition of the outside plant to be used in any instructional network or interactive distance learning project in the operator's franchise area;

(4) the franchise holder's proposals, including the use of surveys to identify the needs of the local educational communities, to increase the participation and involvement of educators and educational agencies in distance learning projects, instructional networks, or other instructional uses of cable television, including but not limited to open broadcast and nonbroadcast modes;

(5) the amount of support both direct and indirect, the franchise holder plans to provide and make available, to enhance and promote advanced educational programming;

(6) other forms of advanced capabilities for advanced educational programming to be provided by the operator including but not limited to: (1) the provision of educational and instructional channels with bi-directional full-motion video, (2) the availability of educational channels via return lines for the entire franchise community, (3) non-traditional uses such as information retrieval systems, (4) digitized video conferencing, (5) school-home data transmission, and (6) the availability of interconnection across franchise boundaries.

(Effective April 27, 1993; amended October 24, 1995)

Sec. 16-333-43. Appeal of decision

The denial of renewal or the failure to follow the statutory procedure may be appealed within 120 days of the final decision to a U.S. District Court or the Superior Court for Hartford/New Britain. A decision is considered final only after state administrative review has been exhausted.

(Effective June 27, 1989)

Sec. 16-333-44. Termination of franchise

If a decision is made to terminate a franchise, the franchise shall continue in operation until replaced, or upon order of the Authority.

(Effective June 27, 1989)

Sec. 16-333-45. Notice of renewal application to subscribers

(a) Any CATV company which applies to the Department of Public Utility Control for renewal, extension or transfer of its certificate pursuant to Connecticut General Statutes section 16-331 shall inform its subscribers of such application in the next billing statement sent to the subscribers. A CATV company shall issue a notice to its subscribers and each member of the advisory council containing the dates, times and locations of any hearings set by the department pursuant to the CATV renewal proceeding. Said notice shall also inform the subscribers and each member of the advisory council of the subject matter of the hearing, locations where the proposal for renewal may be reviewed, a statement in boldface print stating that public participation and comment relating to the proposal for renewal and the company's request for renewal of the franchise is encouraged, and the Department's toll-free customer service number. Such notice shall be mailed directly to the subscribers and each member of the advisory council not fewer than fourteen days before the date of the first public hearing.

(b) The notice described in subsection (a) above shall be a separate mailing and shall not include any billing, promotional material or any information unrelated to the franchise renewal hearings.

(Effective May 22, 1992)

Sec. 16-333-45a.

Repealed, October 24, 1995.

Compensation to Owners of Multiunit Residential Buildings

Sec. 16-333-46. Rights of owners to just compensation

The owners of multiunit residential buildings may apply to the Department of Public Utility Control for compensation for any taking of property associated with the installation of wiring and ancillary facilities by a CATV company for the provision of community antenna television services to the multiunit residential building, in accordance with the criteria outlined in Section 16-333-52.

(Effective May 18, 1990)

Sec. 16-333-47. Notice to owners regarding intent to install CATV facilities

The CATV company seeking permission to install facilities in a multiunit residential building shall notify the owner of the building not fewer than thirty days before the proposed date on which installation is to commence. The CATV company shall include in this notice its proposed plan of installation for the CATV service. Said notice shall be sent by certified mail, return receipt requested.

(Effective May 18, 1990)

Sec. 16-333-48. Notice to department, CATV company and OCC regarding intent to seek compensation

Any owner of a multiunit residential building who wishes to petition for compensation shall file an application with the Department no later than thirty days following receipt of the Notice of intent to install cable, required under section 16-333-47. The owner also shall send a copy of said application to the CATV company seeking to install facilities and to the Office of Consumer Counsel. This application shall include the amount of compensation being sought and the basis for such claim. Failure of the owner to petition the Department within the time limit specified under this section shall be deemed a waiver by the owner of the right to seek compensation for said installation.

(Effective May 18, 1990)

Sec. 16-333-49. Application fee

Any application submitted under Section 16-333-48 shall be accompanied by an application fee of \$50.00.

(Effective May 18, 1990)

Sec. 16-333-50. Authorization for negotiations

Upon the filing of the application authorized under Section 16-333-48, the owner of a multiunit residential building and the CATV company shall attempt to reach a mutually acceptable agreement regarding the amount of reasonable compensation due the owner as a result of the installation of CATV facilities in the multiunit residential building. Upon request of either the owner or the CATV company, the Office of Consumer Counsel may participate in such negotiations.

(Effective May 18, 1990)

Sec. 16-333-51. Department proceedings

(a) Any proposed agreement between the owner of a multiunit residential building and the CATV Company shall be submitted to the Department within sixty days of the date of the application submitted under Section 16-333-48 for approval by the Department. Such agreement shall contain the criteria considered, as outlined in Section 16-333-52, upon which the amount of compensation was calculated. The Department shall render a final decision either approving or denying said proposed agreement within ninety days of the receipt of the agreement by the Department. The Department may hold a public hearing on the proposed agreement before rendering its decision.

(b) If the owner and the CATV Company are unable to reach an agreement within the sixty days provided under Section 16-333-51 (a), or if the Department has denied the agreement submitted by the owner and the CATV Company, the Department shall commence proceedings for a hearing to determine the appropriate compensation. The CATV Company, the owner and the OCC shall be designated as parties to such proceeding. The Department shall complete such investigation and render a decision not later than ninety days after initiation of the proceeding.

(c) Nothing in these regulations shall be deemed to impair or delay the right of the CATV operator to install, maintain or remove CATV system facilities, or to provide service to an individual unit in the subject premises, during the pendency of these proceedings.

(Effective May 18, 1990)

Sec. 16-333-52. Criteria

In its determination of an appropriate award of compensation due the owner, the Department shall consider the following:

- (1) The location and amount of space occupied by the installation;
 - (2) Any evidence that the owner has a specific alternative use for any space which would be occupied by the CATV facilities, the loss of which will result in a specific quantifiable loss to the owner;
 - (3) The value of the applicant's property before the installation of cable television facilities, and the value of the property subsequent to the installation of cable television facilities and the method or methods used to determine such values;
 - (4) Whether the installation of the CATV facilities will interfere with the use and occupancy of the building, which interference would cause a decrease in the rental or resale value of the building; and
 - (5) Any actual costs incurred by the property owner directly related to the installation of the CATV facilities.
- (Effective May 18, 1990)

Sec. 16-333-53. Appeal

Any determination made by the Department under Section 16-333-51 of these regulations may be appealed by an aggrieved party in accordance with the provision contained in Section 4-183 of the General Statutes of Connecticut.

(Effective May 18, 1990)

Sec. 16-333-53a. Contracts for access and wiring between community antenna television companies and owners of multiunit residential buildings

(a) In contracts pertaining to access and wiring between community antenna television companies and owners of multiunit residential buildings, the following terms shall not be included:

- (1) Any term that unreasonably restricts the ability of a community antenna television company to enter a multiunit residential building to restore service to a tenant in the event of a service interruption.
- (2) Any term that interferes with the ability of the owner of a multiunit residential building to guarantee building safety and security.
- (3) Any term that grants an exclusive license to any community antenna television company.
- (4) Any term that precludes any community antenna television company from negotiating with the owner of a multiunit residential building at a tenant's request pursuant to Subsection 16-333a (b) of the General Statutes of Connecticut.
- (5) Any term that has the effect, directly or indirectly, of diminishing or interfering with the right of tenants to use or receive community antenna television service from other providers.
- (6) Any term that discriminates in favor of any one community antenna television service provider with respect to the provision of access or compensation requested.

(b) In contracts pertaining to access and wiring between community antenna television companies and owners of multiunit residential buildings, the following terms may be included:

- (1) Any term that requires a community antenna television company to follow reasonable procedures before entering a multiunit residential building to restore service in the case of a service interruption, such as contacting the occupied building's security officer prior to entering the multiunit residential building.
- (2) Any term that reasonably limits the ability of a community antenna television company to enter a multiunit residential building to install or upgrade service, so long as such limitation(s) are related to building safety and security.

(3) Any term that establishes liquidated damages in the event that a community antenna television company fails to complete an installation and, after an opportunity to cure, the community antenna television company fails to remove any and all wiring installed by the provider or otherwise fails to restore the multiunit residential building to its preinstallation condition.

(4) Any term that limits the application or operation of indemnification provisions in situations of gross negligence or willful misconduct on the part of the owner of a multiunit residential building.

(5) Any term that requires the community antenna television company to supply the owner of a multiunit residential building with detailed plans and specifications for all wiring, equipment and construction work for approval by owner. The terms of approval shall specify that such approval shall not be unreasonably withheld.

(6) Any term that requires the owner of a multiunit residential building to provide, if reasonably available, building and riser conduit or cabling for the use of the community antenna television company, at a rate of compensation agreed to by the parties and in compliance with the provisions of Subsection 16-333a (e) of the General Statutes of Connecticut and Section 16-333-52 of Regulations of Connecticut State Agencies.

(7) Any term that requires the community antenna television company, at a cost agreed to by the parties, to construct additional building and riser conduit, provided that the entire cost of such wiring is assumed by the community antenna television company pursuant to Subsection 16-333a (b) of the General Statutes of Connecticut.

(Effective October 26, 1995)

CATV Rate Regulation

Sec. 16-333-54. CATV rate regulation

The Department of Public Utility Control shall regulate basic cable service and associated equipment rates pursuant to Federal Communications Commission regulations implementing Section 623 of the Communications Act of 1934, as amended by Section 3 of the Cable Television Consumer Protection and Competition Act, Pub. L. No. 102-385, 106 Stat. 1460 (1992), including but not limited to those regulations adopted in the Report and Order and Further Notice of Proposed Rule-making in Docket MM 92-266, released May 3, 1993, as hereafter amended. A copy of all applicable Federal Communications Commission regulations shall be available for public inspection at the Office of the Executive Secretary, Department of Public Utility Control, 1 Central Park Plaza, New Britain, CT 06051.

(Effective September 24, 1993)

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**Waiver of Time Requirement for Underground
Installation of CATV Service Lines**

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Waiver of Time Requirement for Underground Installation of CATV Service Lines

Sec. 16-333b-1. Waiver of time requirement for underground installation

(a) Definitions:

“Low Density Area,” as used in this section, means any single, contiguous area where construction without contribution in aid of construction would not be required by tariffs, other regulations or orders of the Department, or by franchise agreements.

(b) Waiver Requirement:

A franchise holder may apply to the Department for a waiver of the requirement to install underground CATV cable at the same time and place as electric and telephone utilities, within its franchise territory, if:

(1) The proposed construction is in a “low density area,” and;

(2) The owner(s) or developer of the property for which such CATV lines are to be installed has refused to prepay for said construction pursuant to applicable contribution in aid of construction requirements.

(c) Procedures:

(1) A franchise holder shall file such request for waiver with the Department and the appropriate electric and telephone utilities within fourteen (14) days from receipt of formal written notice from the lead utility coordinating the construction project.

(2) The request for waiver shall be deemed granted if notice to the contrary has not been issued by the Department within thirty (30) days following receipt of said request.

(3) All affected utilities shall desist from activities which would preclude contemporaneous underground installation of facilities by all parties concerned, until the Department has ruled on the request for waiver, or the thirty (30) days for Department action has elapsed.

(d) Standard for Granting Waiver:

Based on the items contained in subsection (e) of section 16-333b-1, the Authority will exercise sound engineering and economic judgment in determining whether a waiver shall issue.

(e) Components of Request for Waiver:

A request for waiver, filed pursuant to subsection (b) of section 16-333b-1, shall include the following:

(1) A statement of the location of the construction and a detailed description of the project, including maps.

(2) Names, affiliation, and addresses of contact persons from the telephone and/ or electric utility companies involved in the joint construction.

(3) The number of dwelling units, existing and planned, to be passed by the joint construction.

(4) The number of dwelling units that would be passed by any additional plant that would have to be built in order to energize the joint construction proposed.

(5) The CATV Company’s estimated share of the cost of joint construction.

(6) If the request for waiver is for the purpose of deferring contemporaneous installation, a statement accompanied by data to indicate the estimated cost of deferred or alternate installation.

(7) All other data upon which the CATV Company wishes the Department to rely when considering request for waiver.

(8) Any other additional information that the Department deems necessary to make an informed decision.
(Effective March 18, 1988)

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Viewing Time Reliability Standards and Schedules for Credits or Refunds for CATV Service

Sec. 16-333e-1. Viewing time reliability standards

(a) Definition

(1) "Qualifying outage": For the purposes of this section, an outage qualifies for inclusion in the calculation of system reliability if it were a total loss of CATV service on all channels and meets all of the following criteria: (A) affected 50 or more subscribers, (B) occurred in whole or in part between the hours from 7:00 a.m. through 11:00 p.m. during the previous month, (C) had a duration of one hour or more between the hours from 7:00 a.m. through 11:00 p.m., but a total duration of less than or equal to 24 hours, (D) was not the result of the failure of plant or equipment associated with an extension of distribution plant first energized during the preceding 12 month period, (E) was not solely the result of loss of commercial electric power to the CATV distribution system, and (F) was not caused by subscribers.

(b) Formula for determining system reliability

(1) System reliability (SR) is to be determined monthly by each CATV company according to the following system reliability formula:

$$SR = 100\% \left(1 - \frac{\text{subscriber qualifying outage hours}}{\text{average number of subscribers} \times \text{days in month} \times 16 \text{ hrs}} \right)$$

where subscriber qualifying outage hours equal the summation of the products of the qualifying outage length in hours during the 16 hour period from 7:00 a.m. through 11:00 p.m. and the number of subscribers affected.

(2) The formula above shall exclude from the average number of subscribers used in the denominator of the equation those subscribers served by plant first energized during the preceding 12 months.

(c) Determination of credits and refunds

(1) When the SR falls below 99.8%, a credit, according to the schedule in subsection (d) of this section, is due all subscribers who experienced an outage during the month, and whose outage was used in the numerator of the equation to calculate the SR in subsection (b) above.

(2) The number of days credit due each qualifying subscriber shall be the same, although the total monetary credit shall be based on the individual subscriber's total monthly charge as follows:

$$\text{Credits or refunds} = \frac{(\text{number of days credit}) \times (\text{total monthly charge}^*)}{(\text{number of days in month})}$$

*includes basic service, additional outlets, premium services, etc.

(d) Schedule of credits and refunds

When the SR falls below the threshold of 99.8%, credits or refunds for bills or statements shall be applied over the next full billing cycle in which it is administratively practical to apply the credits or refunds, unless the Department rejects the calculations as provided for in subsection 2 (a) below. Credits or refunds (C/R) shall be uniformly applied according to the following schedule:

SR greater than or equal to 99.8%	No C/R
SR greater than or equal to 99.6% but less than 99.8%	0.5 days C/R
SR greater than or equal to 99.4% but less than 99.6%	1.0 days C/R

SR greater than or equal to 99.2% but less than 99.4%	1.5 days C/R
SR greater than or equal to 99.0% but less than 99.2%	2.0 days C/R
SR greater than or equal to 98.8% but less than 99.0%	2.5 days C/R
SR less than 98.8%	3.0 days C/R

shall be applied initially. If the SR falls below 98.8%, the Department shall investigate the level of service and shall take any necessary remedial action, including, but not limited to, the following: holding a hearing, determining additional credits or refunds to be given, and investigating potential improvements for the system.

(Effective November 20, 1986)

Sec. 16-333e-2. Filing requirements

(a) Calculations

Each CATV company shall calculate its system reliability monthly and provide the calculations with the list of qualifying outages underlying its calculations to the Department for its review not later than the 15th day of the month following the month for which the calculation was completed. Each CATV company shall file this information on a form, which incorporates the provisions of these regulations, to be made available by the Department. If the SR so calculated falls below the SR threshold of 99.8%, the company shall include with its filing the calculations and distribution of the credits or refunds due subscribers. Companies' filings will be deemed acceptable unless the company receives notification from the Department of its rejection of a filing on or before the last day of the month in which the calculations were filed.

(b) Implementation plan

Each CATV company shall submit an implementation plan for the application of these regulations, for the Department's review, within 30 days of the effective date of these regulations. The plan shall include, but not be limited to, the following components: descriptions of the systems to be used to gather and record the necessary data; description of the mechanism for identifying new plant, and description of the mechanism to be used to provide credits or refunds expeditiously through the billing process.

(Effective November 20, 1986)

Sec. 16-333e-3. Responsibility for responding to and resolving all service outages

(a) Outage restoral responsibilities

The requirements of sections 16-333e-1 and 16-333e-2 above do not relieve CATV companies from their continuing responsibility for responding to and resolving all service outages in an expeditious manner. Intentional delays on the part of the company in the restoral of service in order to prolong outages (i.e., beyond 24 hours) to avoid the heavier credit penalties that would otherwise be incurred is subject to Department review and investigation, and an appropriate penalty issued pursuant to § 16-41 of the CGS.

(b) Franchise conditions

The requirements of sections 16-333e-1, 16-333e-2 and 16-333e-3 are considered conditions of the franchise.

(Effective November 20, 1986)

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Planned Programming Change and Rate Change Notification

Sec. 16-333f-1. Planned programming and rate changes

As used in Sections 16-333f-2 to 16-333f-3, inclusive, of the Regulations of Connecticut State Agencies:

(1) "Planned programming change" means any deletion or channel reassignment within the existing signal package offered by a franchise holder, including any temporary change of channel assignment and any change affecting fifty or more subscribers for more than twenty-four hours but not temporary unplanned loss of signal; and

(2) "Rate change" means either an increase or decrease in the charge for any cable related service provided by a CATV company, including but not limited to, charges for installation, reconnection, equipment rental and recurring charges associated with the provision of basis service, cable programming service or premium service.

(Effective June 24, 1994; amended July 27, 1999)

Sec. 16-333f-2. Notification required

(a) Each franchise holder shall notify the department, the Chairperson of the advisory council, each subscriber and the chairpersons of the Joint Standing Committee on Energy and Technology, in writing, not less than thirty days in advance of the implementation date of any planned programming change or any rate change. Franchise holders shall not postpone the implementation of any rate decrease due to the notice requirements contained herein.

(b) An advisory council making a recommendation pursuant to section 16-333f of the Connecticut General Statutes shall provide a copy to the department and the Office of Consumer Counsel.

(Effective June 24, 1994; amended July 27, 1999)

Sec. 16-333f-3. Exceptions to the thirty day notice

(a) The notification requirement contained in section 16-333f-2 shall be in effect unless (1) otherwise required by federal law, (2) such planned programming or rate change is required by law to be made in fewer than thirty days, or (3) the department prescribes a longer or shorter period.

(b) When a franchise holder has actual or constructive knowledge that a planned programming rate change must, by law, be implemented in less than thirty days, such franchise holder shall notify the department, the chairperson of the advisory council and the chairpersons of the Joint Standing Committee on Energy and Technology, in writing, no later than two days of the franchise holder's knowledge, and notify each subscriber in the next bill or by separate notice no later than the next billing period, of such planned programming or rate change. Such notices shall include an explanation as to why the planned programming or rate change must be implemented with less than thirty days notice.

(c) Upon application of the franchise holder showing good cause as to why a planned programming or rate change should be implemented in less than thirty days, the department may prescribe, on a case by case basis, longer or shorter notice periods as the department deems to be in the best interest of subscribers.

(Effective June 24, 1994; amended July 27, 1999)

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Substandard CATV Service

Sec. 16-333i-1. Substandard service

(a) For the purposes of P.A. 84-240, “substandard service” is defined as follows: (1) a subscriber’s loss of clear picture or clear sound on one or more CATV basic or premium channels to which the subscriber subscribes, the loss of which is caused by the failure of equipment owned or controlled by the CATV operator or by the negligence of said operator, or

(2) service which violates the Federal Communications Commission’s (FCC) Rules and Regulations for Cable Television Service: Technical Standards 47 C.F.R., Part 76, Sec. 76.605 *et seq.*, as hereafter amended.

(b) If, after improving substandard service, a CATV company provides either (1) clear picture and clear sound or (2) picture and sound which meet FCC requirements, the CATV company will be deemed to provide standard service.

(Effective January 18, 1985)

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Excavation Near Underground Utility Facilities

Sec. 16-345-1. Definitions

As used in sections 16-345-1 to 16-345-9, inclusive, of the regulations of Connecticut state agencies:

(1) “Excavator” means a person, partnership, corporation or association, including a public utility or a person engaged as a contractor by a public utility or public agency, directly performing or engaged in the act of excavation, demolition or discharge of explosives;

(2) “Public agency” means the state or any political subdivision thereof, including any governmental agency;

(3) “Public utility” means the owner or operator of underground facilities for furnishing electric distribution or transmission services, gas, telephone, telegraph, communications and pipeline (whether for hire or not), sewage (including storm sewers, sanitary sewers and drainage systems, or parts thereof), water, community television antenna, steam, traffic signal, fire signal or similar service, including a municipal or other public owner or operator, but excluding facilities owned by the owner of a private residence, for utility service solely for such residence, regardless of whether such owner or operator is otherwise subject to the jurisdiction of the Department of Public Utility Control. (An “excavator” or “public agency” may also be a “public utility”);

(4) “Central clearinghouse” means the single organization established by the public utilities pursuant to section 16-348 of the Connecticut General Statutes for the purpose of receiving and giving notice of excavation activity within the state;

(5) “Excavation” means an operation for the purposes of movement or removal of earth, rock or other materials in or on the ground, or otherwise disturbing the subsurface of the earth, by the use of powered or mechanized equipment, including but not limited to digging, blasting, auguring, back filling, test boring, drilling, pile driving, grading, plowing-in, hammering pulling-in, trenching and tunneling. Reclamation processes, and milling; excluding the movement of earth by tools manipulated only by human or animal power and the tilling of soil for agricultural purposes;

(6) “Demolition” means the wrecking, razing, rending, moving or removing of any structure;

(7) “Damage” includes but is not limited to the substantial weakening of structural or lateral support of a utility line, penetration or destruction of any utility line protective coating, housing or other protective device or the severance, partial or complete, of any utility line and “contact” includes, without limitation, the striking, scraping or denting, however slight, of any underground utility facility including any underground utility line protective coating, housing or other protective device, or any significant weakening or disturbance of the structural or lateral support of any underground utility facility;

(8) “Approximate location of underground facilities” means a strip of land not more than three feet wide or a strip of land extending not more than one and one-half feet on either side of the underground facilities;

(9) “Department” means the Department of Public Utility Control or its successor;

(10) “At or near” means within the same subsection of a section in the standard grid system established or to be established pursuant to sections 16-345-1 to 16-345-9, inclusive, of the regulations of Connecticut state agencies, when such term is used in connection with a proposed excavation, discharge of explosives or demolition;

(11) “Standard grid system” means a grid system established or to be established by the central clearinghouse and approved by the Department;

(12) “Facilities” means any wire, cable, pipe, vault, storage tank, transformer, or other similar property or equipment owned by public utilities for furnishing electric distribution or transmission services, gas, telephone, telegraph, communications and pipeline (whether for hire or not), sewage (including storm sewers, sanitary sewers and drainage systems, or parts thereof), water, community television antenna, steam, traffic signal, fire signal or similar service, regardless of whether such property or equipment is located on land owned by a person or public agency or whether it is located within an easement or right of way, but excluding such property or equipment owned by the owner of a private residence for utility service solely for such residence; and

(13) “Registered” when used in connection with a public utility’s facilities, includes such facilities known to the Department and the central clearinghouse to the extent that the central clearinghouse has sufficient information to provide notification service as required by subsection (d) of section 16-345 of the Connecticut General Statutes.

(Effective October 25, 1988; amended March 21, 1997, August 23, 2000)

Sec. 16-345-2. Central clearinghouse

(a) Call Before You Dig, Inc., a corporation established under the Connecticut Non-stock Corporation Act, membership in which corporation is open to all public utilities which file with it the information required by sections 16-345-1 to 16-345-9, inclusive, of the regulations of Connecticut state agencies, shall be the central clearinghouse.

(b) The certificate of incorporation and Bylaws of the central clearinghouse shall be subject to the approval of the Department.

(c) The central clearinghouse shall establish and submit to the Department for its approval written operating procedures, which shall detail the days and hours during which the notification system will be in full operation, and which also shall include procedures for:

(1) receiving, handling and promptly dispatching messages, to public utilities and permit issuing public agencies described in sections 16-345-6 and 16-345-7 of the regulations of Connecticut state agencies;

(2) determining the size of the proposed excavation or demolition that may be included as one notification;

(3) advising the caller to contact individual public utilities which the caller suspects might be affected by emergency excavations, discharges of explosives or demolitions during non-operation hours;

(4) retaining records of all messages for a reasonable time period;

(5) establishing and maintaining a standard grid system;

(6) providing for the institution of advertisement and educational programs to advise persons, public agencies and public utilities affected by chapter 293 of the Connecticut General Statutes, of the central clearinghouse’s terms and requirements; encouraging educational programs for the benefit of persons, public agencies and public utilities who excavate and the owners of underground utility facilities; and encouraging public and private agencies planning or undertaking construction projects to require design engineers to obtain underground utility information, identify such data on drawings, resolve facility conflicts with public utilities, and design projects to minimize adverse effects on facilities; and

(7) Such other provisions as the Department shall deem necessary to carry out the objectives of chapter 293 of the Connecticut General Statutes and the public safety.

(d) No less than two months prior to the beginning of each fiscal year, the central clearinghouse shall propose to the Department for approval an annual budget which shall:

(1) include billing rates that shall equitably allocate the costs of operating the notification system to those public utilities whose facilities are registered with the Department; and

(2) be calculated so that the central clearinghouse shall neither make a profit nor suffer a loss, provided that if such a profit or loss does occur during any year, the budget for the next year shall be adjusted accordingly.

(e) The central clearinghouse shall, from time to time, as the Department may require, file with the Department a current list of public utilities that participate in the central clearinghouse's service, which list shall include for each such public utility:

(1) the name and title of the public utility's employee or representative responsible for receiving notice of proposed excavations, discharges of explosives or demolitions;

(2) the business address of such employee;

(3) the normal hours and days of the week ("business hours") during which such employee may be contacted at the public utility;

(4) the "business hours" telephone number where such employee or representative may be reached;

(5) an emergency telephone number to be used to contact such employee or representative during a non-business hours emergency; and

(6) such other information about each such public utility as the Department shall deem necessary to carry out the objectives of chapter 293 of the Connecticut General Statutes and the public safety.

(f) The central clearinghouse shall, from time to time, as the Department may require, file with the Department a list of the public utilities actually known to the central clearinghouse which have not filed with it the information required to be filed by the public utilities pursuant to sections 16-345-1 to 16-345-9, inclusive, of the regulations of Connecticut state agencies.

(g) The central clearinghouse shall, from time to time, as the Department may require, file with the Department, a summary list of all violations and damage reported to it pursuant to subdivisions (3) and (4) of subsection (a) of section 16-345-3 of the regulations of Connecticut state agencies.

(Effective October 25, 1988; amended August 23, 2000)

Sec. 16-345-3. Responsibilities of public utilities

(a) Each public utility shall:

(1) Maintain a current file, including new facilities, with the central clearinghouse containing the information listed in subsection (e) of section 16-345-2 of the regulations of Connecticut state agencies and containing the locations, related to the standard grid system, of all its underground facilities within the State of Connecticut;

(2) Reimburse the central clearinghouse, in accordance with billing rates set by the Department as part of the central clearinghouse's budget;

(3) Notify the central clearinghouse monthly of any excavation, discharge of explosives or demolition of which it is aware which has occurred at or near any of its facilities in violation of sections 16-345-1 to 16-345-9, inclusive, of the regulations of Connecticut state agencies or chapter 293 of the Connecticut General Statutes. Additionally, each public utility shall file a report in January of each year indicating

the number of damage incidents, by month, or that no such damage incidents occurred to its facilities, for the prior calendar year;

(4) Notify the central clearinghouse monthly of any damage to its facilities which resulted from, or which the public utility suspects resulted from, any excavation, discharge of explosive or demolition conducted by any other person or public agency;

(5) File with the central clearinghouse such other information which the central clearinghouse or the Department shall deem necessary to carry out the objectives of chapter 293 of the Connecticut General Statutes and the public safety;

(6) Notify the central clearinghouse as soon as possible of any person or public agency whose actions or frequency of damage incidents indicates a situation that may require particular attention; provided, however, that in deciding whether or not to make such a report, the public utility need not make or report any conclusion as to whether the reported condition or conditions represent a violation of any law or duty;

(7) Upon the exposure of previously unrecorded or inaccurately recorded facilities in the course of excavation or demolition activities and of which it has knowledge of such exposure, verify and modify existing records as necessary, and promptly make all necessary modifications, if needed, within the standard grid system maintained by the clearinghouse. The record shall be sufficiently detailed in order to allow the central clearinghouse to identify such previously unrecorded or inaccurately recorded facilities within its standard grid system; and

(8) Maintain records of all existing underground utility facility locations, including without limitation, facilities abandoned in place and interconnections to all utility users.

(b) Each public utility shall:

(1) By the end of the second full day, (excluding Saturday, Sundays and holidays) after the day of notification to the central clearinghouse of a proposed excavation, discharge of explosives or demolition at or near any of its facilities was received by the central clearinghouse, or by the date on which excavation is scheduled to commence as reported in the notification to the central clearinghouse, whichever is later:

(A) In the event that the public utility determines that it has underground facilities in the immediate vicinity of the specific site, mark the approximate location of such facilities using commercially available advanced proven techniques, methods and equipment appropriate to the circumstances, in accordance with section 16-345-5 of the regulations of Connecticut state agencies, in such a manner that will enable the party giving such notice to establish the precise location of the underground facilities so marked, or if it is not practical to so mark the location of such facilities, identify the approximate location of such facilities in a manner mutually agreeable to the public utility and the party giving such notice. Any interconnections between facilities of the public utility and others, such as tees connecting mains to customer owned facilities, shall be clearly marked and labeled by the utility providing service to the interconnection in accordance with section 16-345-5, provided, however, that such utility shall not be required to mark the location of customer owned facilities, except at the immediate location of the interconnection or tee. Whenever feasible, the public utility shall also provide information to the excavator as to any special requirements for excavation at or near its facilities including, without limitation, any special considerations regarding structural or lateral support or the use of heavy equipment over public utility facilities;

(B) Notwithstanding subparagraph (a) of this subdivision, the public utility that has a standard and repeating layout and which is connected by facilities visible on

the surface (such as certain storm sewers) need not mark out those standard and repeating facilities provided that maps indicating the approximate location are supplied to the person or public agency within the specified time limit. Facilities that are attached to a standard and repeating layout but do not conform to the standard and repeating layout shall be marked unless an alternate mutually agreeable location method is used;

(C) In the event that the public utility determines that it has no underground facilities in the immediate vicinity of the specific site, make reasonable effort to so notify the excavator giving such notice and document such efforts, or mark this information in accordance with section 16-345-5 of the regulations of Connecticut state agencies;

(2) Upon receipt of notice that the excavator, after reasonable attempt to locate the underground facilities, is unable precisely to locate the underground facilities after the approximate location of the underground facilities has been marked by the public utility, provide such further on-site assistance as may be needed to determine the precise location of the underground facilities. The assistance may be in the form of location detection equipment, or technical advice. Such technical advice may include, without limitation, the need for and advice concerning placement location or locations of test holes by the excavator at the excavator's expense. An excavator, who has failed to make a reasonable attempt to locate the facilities within the approximate area as marked out by the owner prior to calling the owner for on-site assistance, shall reimburse the facility owner for all costs incurred in the further location of such facilities. The location of the facility within the approximate area as marked out by the facility owner shall constitute failure by the excavator to have used reasonable efforts to locate;

(3) Immediately upon receipt of notice that a proposed excavation or demolition without explosives is necessary to: (A) Correct an emergency involving danger to life, health or property or involving the interruption of the operation of a major industrial plant; or (B) assure the continuity of public utility service, dispatch personnel as soon as is reasonably possible to determine the effect of the excavation or demolition on any facility it may have in the area; and if the excavation or demolition has not already occurred, to assist in establishing the location of such facilities;

(4) Upon receipt of notice that a proposed discharge of explosives is necessary immediately to correct an emergency involving an immediate and substantial danger of death or serious personal injury, dispatch personnel as soon as is reasonably possible to determine the effect of the discharge on any facility it may have in the area; and if the discharge has not already occurred, to assist in establishing the location of such facilities; and

(5) Upon receipt of notice that contact involving its underground facilities has occurred, dispatch qualified personnel as soon thereafter as is reasonably possible to effect temporary or permanent repairs and to protect the public from any potential danger resulting from the contact to its facilities.

(c) A public utility may identify, in accordance with subsection (k) of section 16-345-5 of the regulations of Connecticut state agencies, the location of a facility connected to its facilities beyond the point of the interconnection or tee, but not owned or operated by the public utility, as a helpful guide to an excavator. Said identification shall not be deemed to impose any liability upon the public utility for any inaccuracy in said identification.

(d) Each public utility individually and through appropriate utility organizations, shall maintain a program designed to educate excavators in order to minimize the

possibility of damage incidents to facilities and to minimize the potential detriment to public safety attendant with damage to underground facilities. Upon request by any excavator or any person, public agency or public utility planning an excavation, discharge of explosive or demolition, each public utility shall provide basic instruction concerning the hazards associated with its underground facilities and specific precautions necessary when working at or near those facilities.

(e) Each public utility shall attend all preconstruction meetings of which it has knowledge related to excavation, discharge of explosives or demolitions which might affect its facilities for the purpose of addressing special or particular issues related to public safety as well as other issues related to the proposed excavation, discharge or demolition.

(f) For all new underground facilities installed after January 1, 1989 which is practicable and for all repairs, replacements or modifications involving an exposure of existing underground facilities at least 100 feet longitudinally after January 1, 1989, of which the utility has knowledge of such exposure, the utility shall, where practicable, install a warning tape located above the facility, and keep appropriate records thereof. The minimum separation between the facility and the warning tape shall be 12 inches unless the depth, other underground facilities or other engineering considerations make the minimum separation unfeasible. The warning tape shall be durable, designed to withstand extended underground exposure, be of the color assigned to the type of facility for surface markings in subsection (h) of section 16-345-5 of the regulations of Connecticut state agencies and durably imprinted with an appropriate warning or message.

(Effective October 25, 1988; amended March 21, 1997, August 23, 2000)

Sec. 16-345-4. Responsibilities of excavators

(a) Any excavator responsible for excavating or discharging explosives at or near the location of public utility underground facilities or demolishing a structure containing any public utility facilities shall:

(1) Except as provided in subdivisions (2) and (3) of this subsection, at least two full days, excluding Saturdays, Sundays and holidays, but not more than thirty (30) days before commencing such excavation, discharge of explosives or demolition at or near the location of such public utilities facilities, notify the central clearinghouse of:

(A) The specific location of the site of the proposed excavation, discharge of explosives or demolition. Should field conditions or other circumstances require the excavation, discharge of explosives or demolition to be expanded outside the originally designated area established in accordance with subsection (c) of section 16-345-4 of the regulations of Connecticut state agencies, a separate notification shall be made and said notification shall be in accordance with the time requirements as provided in this subdivision;

(B) The name, address and telephone number of the entity giving the notice;

(C) The name, address and telephone number of the excavator actually performing the proposed excavation, discharge of explosives or demolition and the name, address and telephone number of the person, public agency or public utility for whom the activity is being performed, except where the work is being performed by a public or municipal utility for the benefit of a utility customer, the customer's name, address and telephone number does not have to be provided;

(D) The date on which such proposed excavation, discharge of explosives or demolition will occur. The date shall be at least two full days, excluding Saturdays, Sundays and holidays, after the notice is provided to the central clearinghouse, or after the area of proposed excavation, demolition or discharge of explosives is

designated in accordance with subsection (d) of this section whichever is later, but not more than thirty (30) days after the notice has been provided to the central clearinghouse;

(E) The type of such proposed excavation, discharge of explosives or demolition;

(F) The method to be used to identify or designate the area of proposed excavation, discharge of explosives or demolition and the date by which the designation will be made, where the designation is not already shown on preconstruction plans;

(G) If it is an emergency, the basis for the emergency; and

(H) Such other information as the central clearinghouse or the Department shall deem necessary to carry out the objectives of chapter 293 of the Connecticut General Statutes and the public safety;

(2) In the event that an excavation or demolition without explosives is necessary to correct an emergency involving danger to life, health, or property or the interruption of operation of a major industrial plant, or to assure the continuity of public utility service:

(A) immediately provide the notice required by subdivision (1) of this subsection to the central clearinghouse if it is during hours when the central clearinghouse is open for the purpose of determining the public utilities with facilities located at or near the site of the demolition unless the public utilities whose facilities may be affected are already known from a prior notification for excavation;

(B) immediately provide the notice required by subdivision (1) of this subsection directly to the involved utilities; and

(C) notify the central clearinghouse by telephone of the emergency and response taken as soon as reasonably possible if such notice was not given immediately prior to the excavation or demolition;

(3) In the event that the use of explosives is necessary to correct an emergency involving an immediate and substantial danger of death or serious personal injury, immediately:

(A) provide the notice required by subdivision (1) of this subsection to the central clearinghouse if it is during hours when the central clearinghouse is open for the purpose of determining the public utilities with facilities located at or near the site of the discharge unless the affected public utilities are already known from a prior notification for excavation;

(B) immediately provide the information required by subdivision (1) of this subsection directly to the affected public utilities prior to discharge of the explosives; and

(C) provide notice directly to the central clearinghouse as soon as possible after the discharge if such notice was not given immediately prior to the discharge;

(4) Use prudent judgment in determining whether to proceed with the excavation, discharge of explosives or demolishing prior to the identification of any or all of the facilities in the events covered by subdivisions (2) and (3) of this subsection. In exercising such judgment, the excavator shall consider, among other things, the potential hazard to life and property while awaiting public utility personnel to locate all the facilities, the need for public utility personnel to locate the facilities having the greatest potential for detriment to the public safety and the potential hazards that could result from proceeding without having located the facilities and potential damage to those facilities;

(5) Exercise reasonable care when working in proximity to the underground facilities of any public utility. Reasonable care shall include, without limitation, the use of construction methods appropriate to ensure the integrity of existing utility

facilities and their man-made temporary and permanent support including but not limited to adequate and proper shoring and proper backfill methods and techniques; the selection of equipment and explosives capable of performing the work with the minimum reasonable likelihood of disturbance to underground facilities; adequate supervisory personnel to ensure proper actions; proper understanding by the personnel on the job site of the authority of all parties involved in the activity so that prompt action can be taken in the event of unanticipated contact with underground facilities; adequate training of employees in executing their assignments to ensure protection of utility facilities and the public; maintaining necessary liaison with owners of underground facilities; sponsoring preplanning and preconstruction meetings as necessary, and complying with all applicable laws and regulations. If the excavator is utilizing trenchless excavation, the excavator shall, if such excavation is expected to cross or encroach within the approximate location of underground facilities either horizontally or vertically, prior to the crossing or encroaching, determine the precise location of such underground facilities expected to be so crossed or encroached;

(6) In the event that underground facilities of a public utility are likely to be exposed by such excavating, discharging of explosives or demolishing, provide such support or protection, or both, as may be necessary to protect such facilities from damage. Where underground facilities containing combustible or hazardous fluids or gases (such as natural gas, propane, jet fuel or chlorine) are likely to be exposed or where the proposed excavation, discharge of explosives or demolition is to occur within the approximate location of such facilities or affecting such facilities, except for excavations performed in connection with the need to expose such underground facilities by the owner of such facilities, an excavator may use mechanical equipment solely for the purpose of removing the bituminous and concrete road surface. In such circumstances, other than for the removal of a bituminous or concrete road surface, an excavator, other than the owner exposing its own underground facilities, shall employ hand digging only;

(7) In the event that the excavator, after reasonable attempt, is unable to precisely locate the underground facilities after the approximate location of the underground facilities have been marked, the excavator must notify the public utility requesting such further assistance as may be needed to determine the precise location of the underground facility; and

(8) Avoid the covering or removal of surface markings or stakes indicating underground facilities during construction activity prior to actually excavating, discharging explosives or demolishing in the vicinity of the located facilities.

(b) When any contact is done to any underground facility of a public utility, the excavator responsible for the operations causing such contact shall immediately and directly notify the public utility which owns or operates such facility of the contact, but such person, public agency or public utility shall not tamper with or attempt to repair such facility except to repair protective coatings when authorized by the owner of the facility.

(c) An excavation notice given pursuant to subdivision (1) of subsection (a) of this section shall expire at the end of thirty (30) days from the date such notice is given to the clearinghouse. Whether or not an excavation, demolition or discharge of explosives has commenced pursuant to a valid notification at any time within the prior thirty (30) days, if such activity has not been completed or is expected to last beyond the 30 day period, a renewal notice must be provided before the expiration of the thirty day period by the excavator. The renewal shall not be applicable for

areas not designated in the prior notification. If excavation, demolition or discharge of explosives was not commenced pursuant to a valid notification at any time during the prior thirty day period following the date which the notice was originally given, notice shall be given again in accordance with subdivision (1) of subsection (a) of this section by the excavator. Where any excavation, discharge or demolition activity has remained dormant for a period of thirty (30) days from the date of the last notice given pursuant to said subdivision, an additional notice shall be given before commencing such activity by the excavator.

(d) The area of proposed excavation, discharge of explosives or demolition shall be designated by the excavator in such a manner as to enable the public utility or owner of underground facilities to know the approximate boundaries of the proposed excavation. The area shall be designated as follows:

(1) if the area of proposed excavation is less than one thousand (1,000) feet longitudinally along an existing highway, only surface marking in accordance with section 16-345-5 of the regulations of Connecticut state agencies may be used;

(2) if surface markings pursuant to section 16-345-5 of the regulations of Connecticut state agencies are not used, designation must be by clear and appropriate markings on a plan map which was originally prepared by a licensed surveyor or competent employee of a public utility company or municipal utility and delivered to the public utility whose underground facilities may be affected, if the area is 1000 feet or more longitudinally on or adjacent to an existing highway and a preconstruction meeting is held by the person or public agency performing the excavation, discharge or demolition activity and all affected public utilities are notified of such meeting; and

(3) the designation of the area shall include the maximum depth of excavation at a sufficient number of points to ensure an accurate profile unless detailed profile maps are provided. The depth information provided shall reasonably reflect the anticipated actual depth.

(e) When any contact is made with any underground facility of a public utility, the excavator responsible for the operations causing such contact shall:

(1) Immediately and directly notify the public utility which owns or operates such facility of the contact, but such excavator shall not tamper with or attempt to repair such facility except to repair protective coatings when authorized by the owner of the facility. The excavator performing the excavation, discharge of explosives or demolition shall use prudent judgment taking into account minimizing the potential detriment to public safety in determining whether to cease activities pending the arrival of qualified public utility personnel; and

(2) When such contact includes the occurring of a serious electrical short circuit or the escaping of combustible or hazardous fluids or gases (such as natural gas, propane, jet fuel or chlorine) or any other event endangering the public, the excavator responsible for the excavation, demolition or discharge involved in such damage shall also alert all persons within the danger area and take all feasible steps, including, where applicable, notifying police, fire and other emergency personnel, eliminating sources of ignition and evacuating employees and the general public from the affected area, but excluding tampering with or attempting to repair the damaged facility, to insure the public safety pending arrival of the appropriate public utility personnel.

(f) At all times when excavation, discharge of explosives or demolition are in progress there shall be a representative of the excavator present in overall charge of the operation who shall be knowledgeable regarding the operation being performed and the legal name and address of the entity that is directly responsible for the

performance of the operation. This person shall have satisfactory evidence that the notification requirements of these regulations have been met, such as the ticket number from the central clearinghouse on site at all times.

(g) Each person, or public agency involved in excavation, discharge of explosives and demolitions shall post a summary of the requirements of sections 16-345-1 to 16-345-9, inclusive, of the regulations of Connecticut state agencies in construction workplaces. Construction workplaces shall include, without limitation, offices of the entity performing the work in a location where persons directly involved in excavation, discharge of explosives and demolitions frequent, field offices and similar locations.

(h) The representative of the excavator shall provide the legal name and address of the entity that is directly responsible for the performance of the excavation activity and shall provide satisfactory evidence to any entity, including a public agency or public utility requesting such information. Such representative shall also be an agent for service of notice or process in any matter related to compliance with these regulations.

(i) Except as provided in subdivision (3) of subsection (a) of this section, explosives may not be discharged unless such discharge was disclosed in the original notification or upon six hours notice to all public utilities which have facilities at or near the proposed discharge location, including those that were previously indicated to have facilities at or near the proposed discharge but not in the immediate vicinity, except that on Saturdays, Sundays and holidays, eight hours notice shall be provided.

(Effective October 25, 1988; amended March 21, 1997, August 23, 2000)

Sec. 16-345-5. Surface markings

(a) All surface markings and public utility locations stakings shall be made in accordance with this section.

(b) Surface markings shall consist of paint or equivalent material. The paint or material should have sufficient lasting properties so as to stand up to wear and tear of traffic; but should be sufficiently degradable so as not to be permanent, unless the marking is intended to be permanent.

(c) Surface markings for the identification of the location of underground facilities shall be located preferably at the center line of the underground facility and at the outer limits of the proposed excavation, discharge of explosives or demolition activity.

(d) Where center-line marking is impractical, the location of the facility may be indicated by means of offset surface markings.

(e) Staking shall consist of the use of stakes made of wood or any other suitable material. Such stakes shall be placed in an upright position directly above the facility and be exposed above the ground a minimum of eighteen (18) inches. The top of the stake shall be clearly marked with both the designated utility color and identification abbreviation in accordance with subsections (h) and (i) of this section.

(f) In areas where surface markings cannot be utilized, or in areas where the use of stakes would be superior to surface markings, staking may be employed for locating facilities or for designating areas of proposed excavation, demolition or discharge of explosives. Stakes shall normally be located above the center line of the underground facility and at the outer limits of the proposed excavation, demolition or discharge of explosives activity. Stakes shall not be used for offset locations unless surface marking or center line staking is inadequate or inappropriate.

(g) Surface markings or stakes shall be located at such appropriate intervals as is necessary to clearly indicate the location and course of the underground facility.

(h) With the exception of normal traffic control markings, all markings on public streets, sidewalks and rights-of-way, and all surface markings and stakings of public utility locations and areas of proposed excavation, demolition or discharge of explosives shall be in accordance with, and shall not conflict with, the following uniform color code.

(1) Yellow—Gas, oil petroleum products, steam, compressed air, compressed gases and all other hazardous materials except water.

(2) Red—Electric power lines, electric power conduits and other electric power facilities.

(3) Orange—Communication lines or cables, including but not limited to telephone, telegraph, fire signals, cable television, civil defense, data systems, electronic controls and other instrumentation.

(4) Blue—Water.

(5) Green—Storm and sanitary sewers and drainage systems including force mains and other non-hazardous materials.

(6) Purple—Radioactive materials.

(7) White—Proposed working area of excavation, discharge of explosive or demolition; survey markings.

(8) Brown—Other.

(9) Unpainted stakes with colored ribbon—survey markings.

(i) All surface marking and staking utilized for the location of underground facilities shall contain letter designations which clearly identify the type of facility so marked or staked. Such letters shall be legible and shall be used in accordance with the following:

(1) C—Communication facilities other than telephone company facilities.

(2) CH—Chemicals.

(3) CTV—Cable television.

(4) E—Electric power.

(5) FS—Fire signals.

(6) G—Gas.

(7) HPW—High-pressure water over 125 PSIG.

(8) P—Petroleum.

(9) PP—Petroleum products (naphtha, gasoline, kerosene and similar products).

(10) S—Sewer.

(11) ST—Steam.

(12) T—Telephone company facilities.

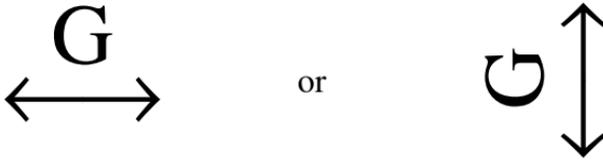
(13) TC—Traffic control signals.

(14) W—Water.

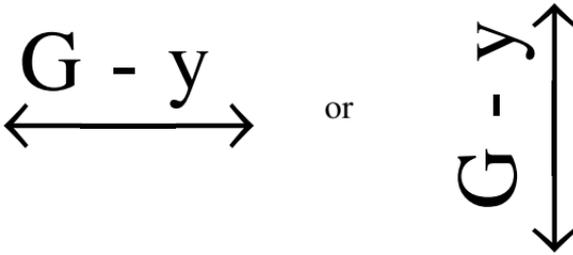
(15) O—All other facilities.

(j) All surface markings and stakings shall be in accordance with the following. (“G” is represented below, but specific product identification use shall be in accordance with subsection (i) of this section.)

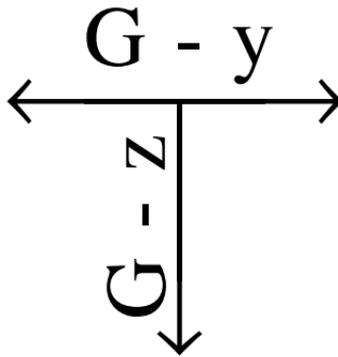
(1) Approximate location is a strip of land extending not more than one and one-half feet on either side of the markout line. The arrow indicates the direction of run. The length of the mark shall be approximately eighteen inches (18”);



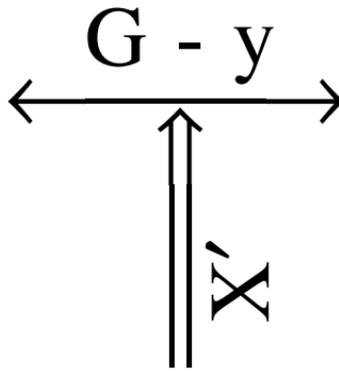
(2) Approximate location is a strip of land extending not more than one and one-half feet plus $y/2$ inches on either side of the markout line, where y is the size of the facility (e.g., y inch pipe, y inch conduit). The arrow indicates the direction of run. The length of the mark shall be approximately eighteen inches (18");



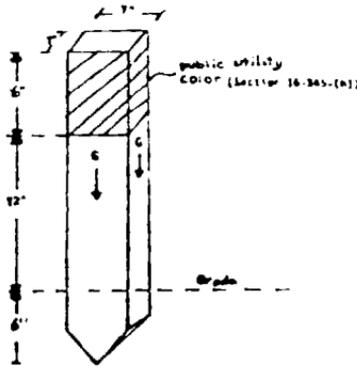
(3) A point where a facility tees off. y and z may or may not be present. y and z are the size of the respective facilities (e.g., y inch pipe, z inch conduit);



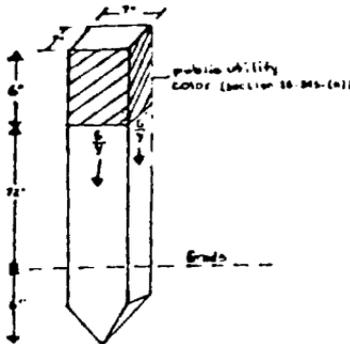
(4) Offset mark for run of pipe where X' represents the distance, in feet, from the reference line to the underground facility. y may or may not be present. y is the size of the facility (e.g., y inch pipe, y inch conduit);



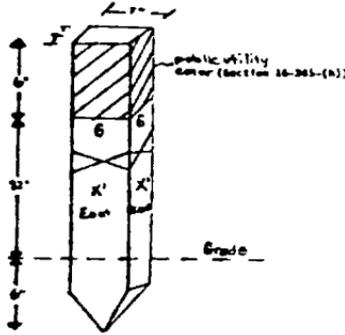
(5) Approximate location is a strip of land extending not more than one and one-half feet on either side of the line established by the series of stakes;



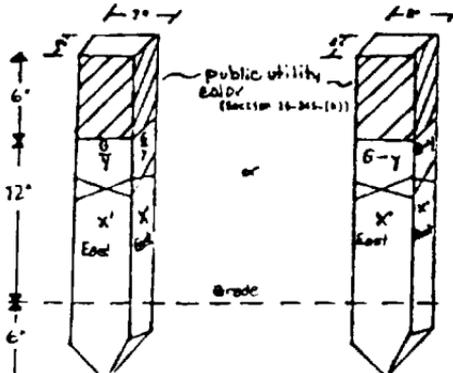
(6) Approximate location is a strip of land extending not more than one and one-half feet plus $y/2$ inches on either side of the line established by the series of stakes, where y is the size of the facility (e.g., y inch pipe, y inch conduit);



(7) Approximate location is a strip of land extending not more than one and one-half feet on either side of, and X' in the direction indicated from the line established by the series of stakes; and



(8) Approximate location is a strip of land extending not more than one and one-half feet plus $y/2$ inches on either side of, and X' in the direction (i.e., approximate compass direction) indicated from, the line established by the series of stakes, where y is the size of the facility (e.g., y inch pipe, y inch conduit).



(k) A public utility may, in accordance with the provisions of subsection (c) of section 16-345-3 of the regulations of Connecticut state agencies, identify the location of a facility connected to its facility beyond the point of the interconnection or tee, but not owned or operated by the public utility as a helpful guide to an excavator in a similar manner to subsections (a) to (j), inclusive, of this section, except that surface markings shall be dotted or broken line instead of a solid line.

(l) A public utility may signify that it has no facilities in the immediate area of a proposed excavation, demolition or discharge of explosives by writing "no name of utility or commonly recognized abbreviation" in letters at least twelve inches high using the uniform color code as described in subsection (h) of this section.

(Effective October 25, 1988; amended March 21, 1997, August 23, 2000)

Sec. 16-345-6. Permits to require compliance

Any permit, except for advance construction permits, issued by a public agency for excavation, demolition or discharge of explosives shall require satisfactory evidence of compliance with chapter 293 of the Connecticut General Statutes and sections 16-345-1 to 16-345-9, inclusive, of the regulations of Connecticut state agencies such as the central clearinghouse ticket number. The central clearinghouse may provide notification of each underground location request to each municipality's

permit issuing department for proposed excavations within the municipality's jurisdiction.

(Effective October 25, 1988; amended August 23, 2000)

Sec. 16-345-7. Compliance with local permit requirements

Except as provided in section 16-345-6 of the regulations of Connecticut state agencies, sections 16-345-1 to 16-345-9, inclusive, of the regulations of Connecticut state agencies shall not be construed to affect or impair local ordinances, charter or other provisions of law requiring permits to be obtained before excavating in a public highway or to demolish structures on private property, nor shall they be construed to grant to any person, excavator, or public agency any rights not specifically provided by chapter 293 of the Connecticut General Statutes and said sections. A permit from a public agency shall not relieve any person from responsibility for complying with the provisions of chapter 293 of the General Statutes and said sections. The failure of any person who has been granted a permit to comply with the provisions of chapter 293 of the General Statutes and said sections shall not be deemed to impose any liability upon the public agency issuing the permit.

(Effective October 25, 1988; amended August 23, 2000)

Sec. 16-345-8. Enforcement proceedings

(a) If the Department has reason to believe that a violation has occurred for which a civil penalty has been established for violations of chapter 293 of the Connecticut General Statutes, as provided in section 16-356 of the Connecticut General Statutes, or of any provisions of sections 16-345-1 to 16-456-9, inclusive, of the regulations of Connecticut state agencies, the department may send to the violator by certified mail, return receipt requested, or by personal service, a notice which shall include:

- (1) A reference to the section of the statute, regulation or order involved;
- (2) A short and plain statement of the matters asserted or charged;
- (3) A statement of the amount of the civil penalties proposed to be imposed after notice and opportunity for a hearing; and
- (4) A statement of the party's right to a hearing.

(b) The person, public agency or public utility to whom the notice is addressed may, no later than thirty (30) days from the date of receipt of the notice, deliver to the department written application for a hearing. If a hearing is requested then, after a hearing, and upon a finding that a violation has occurred, the department may issue a final order assessing a civil penalty under this section which is not greater than the penalty stated in the notice. If such a hearing is not so requested, or if such a request is later withdrawn, then the notice shall, on the first day after the expiration of such thirty day period or on the first day after the withdrawal of such request for hearing whichever is later, become a final order of the department and the matters asserted or charged in the notice shall be deemed admitted.

(c) All hearings under this section shall be conducted pursuant to sections 4-177 to 4-184, inclusive, of the Connecticut General Statutes. The final order of the department assessing a civil penalty shall be subject to appeal under section 4-183 of the Connecticut General Statutes. No challenge to a final order of the department assessing a civil penalty pursuant to section 16-345-9 of the regulations of Connecticut state agencies shall be allowed as to any issue which could have been raised by a timely request for a hearing pursuant to subsection (b) of this section. Any civil penalty authorized by this section shall become due and payable upon the final decision becoming a final order pursuant to subsection (b) of this section.

(d) A civil penalty assessed in a final order of the department 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.

(Effective October 25, 1988; amended August 23, 2000)

Sec. 16-345-9. Assessment of civil penalties

(a) Any person, excavator, public agency or public utility which the department finds to have violated any provision of Chapter 293 of the Connecticut General Statutes, or any regulations promulgated thereunder, may be fined, after notice and opportunity for a hearing as provided in section 16-345-8 of the Regulations of Connecticut State Agencies. In such case, such person, excavator, public agency or public utility shall, except as provided in subsection (b) of this section, forfeit and pay to the state a civil penalty in accordance with the following schedule of penalties:

(1) For violations which do not involve personal injury, death or property damage:

(A) A minimum civil penalty of two hundred dollars (\$200) for a first violation; and

(B) A civil penalty of not more than five thousand dollars (\$5,000) for a second violation and up to the statutory maximum thereafter.

(2) For violations which result in property damage:

(A) Where the amount of property damage sustained is not greater than three thousand dollars (\$3,000), a civil penalty not to exceed twelve thousand dollars (\$12,000);

(B) Where the amount of property damage sustained is greater than three thousand dollars (\$3,000), but not more than twenty thousand dollars (\$20,000), a civil penalty not to exceed twenty thousand dollars (\$20,000); and

(C) Where the amount of property damage sustained is greater than twenty thousand dollars (\$20,000), a civil penalty not to exceed forty thousand dollars (\$40,000).

(3) For a violation which results in personal injury or death, a civil penalty not to exceed forty thousand dollars (\$40,000).

(4) For any violation where a person, excavator, public agency or public utility knowingly comes in contact with an underground facility during the course of an excavation, demolition or discharge activity, and fails to notify the owner of the facility as soon as possible thereafter, a civil penalty not to exceed forty thousand dollars (\$40,000).

(5) Notwithstanding subdivisions (1) to (4), inclusive, of this subsection, the department may assess a civil penalty of up to forty thousand dollars (\$40,000) based upon the degree of threat to the public safety, and the degree of public inconvenience caused as a result of the violation.

(b) Any violation involving the failure of a public utility to mark the approximate location of underground facilities correctly or within the timeframes prescribed in section 16-345-3(b) of the Regulations of Connecticut State Agencies, which violation did not result in any property damage or personal injury and was not the result of an act of gross negligence on the part of the public utility, shall result in a civil penalty of not more than one thousand dollars (\$1,000).

(c) In determining whether to assess a civil penalty and the amount of civil penalty to be assessed, the department shall take into account the following criteria by way of aggravating and mitigating factors:

(1) The number and nature of past violations as well as any previous decisions of the department regarding prior violations;

(2) The degree of compliance with other requirements of Chapter 293 of the Connecticut General Statutes, and any regulations promulgated thereunder, especially notification to the utility in the event of damage. In particular, the department shall consider whether or not the violator has notified the utility pursuant to the provisions of sections 16-345-4(a)(1) to 16-345-4(a)(3), inclusive, and section 16-345-4(e) of the Regulations of Connecticut State Agencies;

(3) The good faith efforts of the violator to have complied with the statutes and regulations;

(4) The plans and procedures to insure compliance with the statutes and regulations in the future;

(5) The amount of damage caused to underground facilities;

(6) The nature and severity of the violation, the degree of threat to the public safety, and degree of public inconvenience caused as a result of the violation;

(7) Whether the activity was performed in the course of business by a person, excavator, public agency or public utility regularly engaged in such activity;

(8) Circumstances beyond the control of the violator, including, but not limited to, weather and, for violations based on the failure to timely mark the approximate location of underground facilities, lack of timely access to the site; and

(9) Such other factors as are in the public interest.

(d) Where the department has issued a penalty after a hearing, the department shall specify the factors used in determining the penalty by way of mitigation or aggravation.

(Effective October 25, 1988; amended August 23, 2000, February 1, 2006)