



House Bill No. 5201

Public Act No. 22-29

AN ACT CONCERNING PUBLIC HEALTH CONCERNS IN THE ACQUISITION OF WATER COMPANIES.

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

Section 1. Subsection (a) of section 16-262o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(a) The Public Utilities Regulatory Authority, in consultation with the Department of Public Health, upon a determination that the costs of improvements to and the acquisition of the water company are necessary and reasonable, shall order the acquisition of the water company by the most suitable public or private entity. In making such determination, the authority shall consider: (1) The geographical proximity of the plant of the acquiring entity to the water company, (2) whether the acquiring entity has the financial, managerial and technical resources to operate the water company in a reliable and efficient manner and to provide continuous, adequate service to the persons served by the company, (3) the current rates that the acquiring entity charges its customers, (4) public health concerns, including, but not limited to, any closed or active consent decrees or deficiencies identified by the Department of Public Health relating to the water company, and ~~[(4)]~~ (5) any other factors the authority deems relevant. Such order shall

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authorize the recovery through rates of all reasonable costs of acquisition and necessary improvements. A public entity acquiring a water company beyond the boundaries of such entity may charge customers served by the acquired company for water service and may, to the extent appropriate, as determined by the governing body of the public entity, recover through rates all reasonable costs of acquisition and necessary improvements.