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| General Assembly |  | ***Proposed Bill No. 222***  |
| ***January Session, 2019*** |  | LCO No. **3230** |
|  | \*03230\* |
| Referred to Committee on ENERGY AND TECHNOLOGY  |  |
| Introduced by: |  |
| SEN. FORMICA, 20th Dist. |  |

AN ACT CONCERNING THE SALE OF MUNICIPAL WATER SUPPLY AND WASTEWATER SYSTEM ASSETS.

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

That the general statutes be amended to establish a process for a municipality's sale of its water supply system or municipal wastewater system to a water company that requires:

(1) A municipality that owns such a system to negotiate with a water company for the sale of such system and determine a sale price;

(2) Such municipality and water company to determine the system's fair market value utilizing a licensed engineer and a utility valuation expert and submit an application for approval to the Public Utilities Regulatory Authority; and

(3) If the authority approves the application, the authority to determine the ratemaking rate base as the lesser of the negotiated sale price or the system's average fair market value.

***Statement of Purpose:***

To establish a process for the sale of a municipal water supply system or municipal wastewater system.