



General Assembly

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**Amendment**

LCO No. 4471

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Offered by:

SEN. DAILY, 33<sup>rd</sup> Dist.

To: Subst. Senate Bill No. 598

File No. 557

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**"AN ACT CONCERNING A PROPERTY TAX HOMESTEAD EXEMPTION, A DIFFERENTIAL PROPERTY TAX ON VACANT LAND AND THE PROPERTY TAX CAP AND SURCHARGE PROGRAM."**

1 After the last section, add the following and renumber sections and  
2 internal references accordingly:

3 "Sec. 501. (NEW) (*Effective from passage*) (a) For purposes of this  
4 section, "municipal aggregation unit" means a municipality, political  
5 subdivision of a municipality, or group of municipalities that serve as  
6 an electric aggregator for the purpose of negotiating the purchase of  
7 electric generation services from an electric supplier for all electric  
8 customers within the legal boundaries of the subject municipality,  
9 political subdivision of a municipality, or group of municipalities.

10 (b) On and after January 1, 2005, there shall be a municipal electric  
11 aggregation demonstration program that shall operate for a period of  
12 not more than five years. Such demonstration program shall allow  
13 customers to opt-out of the electric service offered by the municipal

14 aggregation unit, except that customers of competitive electric  
15 suppliers, in order to participate in the program, may opt-in to the  
16 program. The combined number of participants in each phase of the  
17 demonstration program shall represent not more than four hundred  
18 megawatts of load in the state, as determined by the Department of  
19 Public Utility Control. Each municipal aggregation unit that seeks to  
20 participate in the demonstration program shall file with the  
21 department a letter of intent, draft ordinance and such other  
22 documentation as the department may require not later than August 1,  
23 2004. The department may establish additional filing deadlines as it  
24 deems appropriate. The department shall review such filings to ensure  
25 that the municipalities participating in the demonstration program are  
26 collectively representative of the state-wide load as is possible within  
27 the megawatt limits of this subsection and as determined by the  
28 department. Each municipal aggregation unit shall retain the services  
29 of a firm having expertise in electric aggregation and energy  
30 procurement to provide assistance with its participation in the  
31 demonstration program, including, but not limited to, the  
32 development of its request for proposal. Municipalities or political  
33 subdivisions of municipalities that are served by municipal electric  
34 utilities that have declined to participate in the competitive electric  
35 generation market prior to January 1, 2004, shall not be eligible to  
36 participate in this demonstration program.

37 (c) A municipality shall initiate a process to form or join a municipal  
38 aggregation unit by the adoption of an ordinance.

39 (d) The municipal aggregation unit shall issue a request-for-  
40 proposal to licensed electric suppliers for the provision of electric  
41 generation service and select a bidder upon the basis of a written  
42 analysis that the economic benefits will be equal to or exceed the  
43 current or projected economic benefits of receiving electric generation  
44 services through transitional standard offer service or standard service.  
45 The municipal aggregation unit shall not be subject to the provisions of  
46 section 16-245s of the general statutes, as amended.

47 (e) Not later than June 15, 2004, the Department of Public Utility  
48 Control shall open a proceeding to develop a set of demonstration  
49 program requirements which shall include, but not be limited to, the  
50 manner by which electric customers are provided (1) notice of the  
51 initiation of a demonstration program, (2) information regarding rates  
52 and environmental characteristics, (3) information regarding contract  
53 terms and conditions, and (4) notice regarding a customer's right to  
54 cancel service. Electric customers shall be given not less than thirty  
55 days notice prior to the initiation of a demonstration project.

56 (f) Not later than January 1, 2007, the Department of Public Utility  
57 Control, in consultation with the Office of Consumer Counsel, shall  
58 submit, in accordance with section 11-4a of the general statutes, a  
59 report regarding the performance of the municipal electric aggregation  
60 demonstration program to the joint standing committee of the General  
61 Assembly having cognizance of matters relating to energy. The report  
62 shall also include findings and recommendations regarding whether or  
63 not the time period for this demonstration program should be  
64 extended, and whether or not the program should be expanded state-  
65 wide.

66 Sec. 502. Subdivision (31) of subsection (a) of section 16-1 of the  
67 general statutes is repealed and the following is substituted in lieu  
68 thereof (*Effective from passage*):

69 (31) "Electric aggregator" means (A) a person, municipality,  
70 municipal aggregation unit, as defined in section 1 of this act, or  
71 regional water authority that gathers together electric customers for  
72 the purpose of negotiating the purchase of electric generation services  
73 from an electric supplier, or (B) the Connecticut Resources Recovery  
74 Authority, if it gathers together electric customers for the purpose of  
75 negotiating the purchase of electric generation services from an electric  
76 supplier, provided such person, municipality, unit or authority is not  
77 engaged in the purchase or resale of electric generation services, and  
78 provided further such customers contract for electric generation  
79 services directly with an electric supplier or, in the case of a municipal

80 aggregation unit, such customers contract for electric generation  
81 services with an electric supplier in accordance with the provisions of  
82 section 1 of this act, and may include an electric cooperative  
83 established pursuant to chapter 597.

84 Sec. 503. Section 16-245o of the general statutes, as amended by  
85 sections 12 and 13 of public act 03-135, is repealed and the following is  
86 substituted in lieu thereof (*Effective from passage*):

87 (a) To protect a customer's right to privacy from unwanted  
88 solicitation, each electric company or electric distribution company, as  
89 the case may be, shall distribute to each customer a form approved by  
90 the Department of Public Utility Control which the customer shall  
91 submit to the customer's electric or electric distribution company in a  
92 timely manner if the customer does not want the customer's name,  
93 address, telephone number and rate class to be released to electric  
94 suppliers. On and after July 1, 1999, each electric or electric distribution  
95 company, as the case may be, shall make available to all electric  
96 suppliers customer names, addresses, telephone numbers, if known,  
97 and rate class, unless the electric company or electric distribution  
98 company has received a form from a customer requesting that such  
99 information not be released. Additional information about a customer  
100 for marketing purposes shall not be released to any electric supplier  
101 other than a municipal aggregation unit unless a customer consents to  
102 a release by one of the following: (1) An independent third-party  
103 telephone verification; (2) receipt of a written confirmation received in  
104 the mail from the customer after the customer has received an  
105 information package confirming any telephone agreement; (3) the  
106 customer signs a document fully explaining the nature and effect of the  
107 release; or (4) the customer's consent is obtained through electronic  
108 means, including, but not limited to, a computer transaction.

109 (b) All electric suppliers except municipal aggregation units shall  
110 have equal access to customer information required to be disclosed  
111 under subsection (a) of this section. No electric supplier except a  
112 municipal aggregation unit shall have preferential access to historical

113 distribution company customer usage data.

114 (c) No electric or electric distribution company shall include in any  
115 bill or bill insert anything that directly or indirectly promotes a  
116 generation entity or affiliate of the electric distribution company. No  
117 electric supplier shall include a bill insert in an electric bill of an  
118 electric distribution company."

119 (d) All marketing information provided pursuant to the provisions  
120 of this section shall be formatted electronically by the electric company  
121 or electric distribution company, as the case may be, in a form that is  
122 readily usable by standard commercial software packages. Updated  
123 lists shall be made available within a reasonable time, as determined  
124 by the department, following a request by an electric supplier. Each  
125 electric supplier seeking the information shall pay a fee to the electric  
126 company or electric distribution company, as the case may be, which  
127 reflects the incremental costs of formatting, sorting and distributing  
128 this information, together with related software changes. Customers  
129 shall be entitled to any available individual information about their  
130 loads or usage at no cost.

131 (e) Each electric supplier shall, prior to the initiation of electric  
132 generation services, provide the potential customer with a written  
133 notice describing the rates, information on air emissions and resource  
134 mix of generation facilities operated by and under long-term contract  
135 to the supplier, terms and conditions of the service, and a notice  
136 describing the customer's right to cancel the service, as provided in this  
137 section. No electric supplier shall provide electric generation services  
138 unless the customer has signed a service contract or consents to such  
139 services by one of the following: (1) An independent third-party  
140 telephone verification; (2) receipt of a written confirmation received in  
141 the mail from the customer after the customer has received an  
142 information package confirming any telephone agreement; (3) the  
143 customer signs a document fully explaining the nature and effect of the  
144 initiation of the service; or (4) the customer's consent is obtained  
145 through electronic means, including, but not limited to, a computer

146 transaction. A customer who has a maximum demand of five hundred  
147 kilowatts or less shall, until midnight of the third business day after  
148 the day on which the customer enters into a service agreement, have  
149 the right to cancel a contract for electric generation services entered  
150 into with an electric supplier. The provisions of this subsection shall  
151 not apply to the customers of municipal aggregation units.

152 (f) An electric supplier shall not advertise or disclose the price of  
153 electricity in such a manner as to mislead a reasonable person into  
154 believing that the electric generation services portion of the bill will be  
155 the total bill amount for the delivery of electricity to the customer's  
156 location. When advertising or disclosing the price for electricity, the  
157 electric supplier shall also disclose the electric distribution company's  
158 average current charges, including the competitive transition  
159 assessment and the systems benefits charge, for that customer class.

160 (g) Each electric supplier shall comply with the provisions of the  
161 telemarketing regulations adopted pursuant to 15 USC 6102.

162 (h) Any violation of this section shall be deemed an unfair or  
163 deceptive trade practice under subsection (a) of section 42-110b."