



General Assembly

January Session, 2007

**Raised Bill No. 6980**

LCO No. 3557

\*03557 \_\_\_\_\_ GL\_\*

Referred to Committee on General Law

Introduced by:  
(GL)

**AN ACT CONCERNING HEATING OIL AND PROPANE CHARGES.**

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

1 Section 1. Section 16a-21 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2007*):

3 (a) No person, firm or corporation shall sell at retail fuel oil or  
4 propane gas to be used for residential heating without a written  
5 contract that contains all the terms and conditions for delivery of such  
6 retail fuel heating oil or propane gas and the amount of fees, charges or  
7 penalties, including tank removal and inspection fees, minimum usage  
8 fees, liquidated damages and hazardous materials fees assessed to the  
9 consumer under such contract and without placing the unit price,  
10 clearly indicated as such, the total number of units sold and the  
11 amount of any delivery surcharge in a conspicuous place on the  
12 delivery ticket given to the purchaser or an agent of the purchaser at  
13 the time of delivery. No person, firm or corporation may bill or  
14 otherwise attempt to collect from any purchaser of fuel oil or propane  
15 gas an amount which exceeds the unit price multiplied by the total  
16 number of units stated on the delivery ticket, plus the amount of any  
17 delivery surcharge stated on the ticket. For the purpose of this section,

18 unit price means the price per gallon computed to the nearest tenth of  
19 a whole cent. Any written contract required by this section shall be in  
20 plain language and any fee, charge or penalty disclosed in such  
21 contract shall be in twelve-point, boldface type of uniform font. The  
22 requirement that contracts be in writing as set forth in this section may  
23 be satisfied pursuant to the provisions of the Connecticut Electronic  
24 Signatures Act, sections 42a-7-101 to 42a-7-106, inclusive, and the  
25 Electronic Signatures in Global and National Commerce Act, 15 USC  
26 7001 et seq. Verbal telephonic communications shall not satisfy the  
27 writing requirement of this subsection. The requirement that contracts  
28 be in writing as set forth in this section shall not apply to any heating  
29 oil or propane gas contract where no fee, charge or penalty is assessed  
30 except for the unit price of the fuel oil or propane gas delivered to a  
31 consumer and any surcharge authorized under section 16a-22b, as  
32 amended by this act. No contract for the delivery of retail fuel oil or  
33 propane gas under this section shall include a provision for liquidated  
34 damages for a consumer breach of such contract where the liquidated  
35 damages exceeds the actual damages to the fuel oil or propane gas  
36 retailer caused by such breach.

37 (b) Any person, firm or corporation who violates subsection (a) of  
38 this section shall be fined not more than one hundred dollars for the  
39 first offense nor more than five hundred dollars for each subsequent  
40 offense.

41 (c) A violation of the provisions of this section constitutes an unfair  
42 trade practice under subsection (a) of section 42-110b.

43 Sec. 2. Section 16a-22b of the general statutes is repealed and the  
44 following is substituted in lieu thereof (*Effective July 1, 2007*):

45 (a) No retail dealer of fuel oil or propane shall assess a surcharge on  
46 the price of fuel oil or propane delivered to a customer if the delivery  
47 of the fuel oil or propane is in an amount in excess of one hundred  
48 twenty-five gallons, except that a surcharge may be assessed if a  
49 delivery is made outside the normal service area or the normal

50 business hours of the dealer or extraordinary labor costs are involved  
51 in making a delivery. Any other fee, charge or penalty shall be  
52 assessed in accordance with the provisions of section 16a-21, as  
53 amended by this act.

54 (b) No retail dealer of fuel oil or propane shall assess a residential  
55 customer a minimum delivery surcharge on any delivery initiated by  
56 the seller, including any delivery under an automatic delivery  
57 agreement.

58 (c) A violation of the provisions of this section constitutes an unfair  
59 trade practice under subsection (a) of section 42-110b.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2007</i>	16a-21
Sec. 2	<i>July 1, 2007</i>	16a-22b

**Statement of Purpose:**

To: (1) Require certain heating oil and propane delivery contracts to be written in plain language and allow such contracts to be in electronic form, (2) prohibit surcharges or fees from being added to the delivery price of heating oil or propane, subject to certain conditions, (3) allow heating oil and propane companies to assess certain fees, charges and penalties if they are conspicuously disclosed at the time the contract is made, and (4) provide that liquidated damages cannot exceed actual damages suffered by a heating oil or propane company due to a consumer breach.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*