



General Assembly

Substitute Bill No. 6980

January Session, 2007

* HB06980JUD 042407 *

AN ACT CONCERNING HEATING OIL AND PROPANE GAS 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 Section 16a-21 of the general statutes is repealed and the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 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 retail fuel oil or
15 propane gas an amount which exceeds the unit price multiplied by the
16 total number of units stated on the delivery ticket, plus the amount of
17 any delivery surcharge stated on the ticket. For the purpose of this
18 section, unit price means the price per gallon computed to the nearest
19 tenth of a whole cent. Any written contract required by this section

20 shall be in plain language pursuant to section 42-152 and any fee,
21 charge or penalty disclosed in such contract shall be in twelve-point,
22 boldface type of uniform font. The requirement that contracts be in
23 writing as set forth in this section may be satisfied pursuant to the
24 provisions of (1) The Connecticut Uniform Electronic Transactions Act,
25 sections 1-266 to 1-286, inclusive, (2) sections 42a-7-101 to 42a-7-106,
26 inclusive, and (3) the Electronic Signatures in Global and National
27 Commerce Act, 15 USC 7001 et seq. Except as provided in subsection
28 (e) of this section, verbal telephonic communications shall not satisfy
29 the writing requirement of this section. The requirement that contracts
30 be in writing as set forth in this section shall not apply to any retail fuel
31 oil or propane gas contract where no fee, charge or penalty is assessed,
32 except for the unit price of the retail fuel oil or propane gas delivered
33 to a consumer and any surcharge authorized under section 16a-22b, as
34 amended by this act. No contract for the delivery of retail fuel oil or
35 propane gas under this section shall include a provision for liquidated
36 damages for a consumer breach of such contract where the liquidated
37 damages exceeds the actual damages to the retail fuel oil or propane
38 gas retailer caused by such breach.

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

43 (c) The provisions of this section shall not apply to existing
44 customers of a person, firm or corporation selling retail fuel oil or
45 propane gas on July 1, 2007, who have valid written contracts on said
46 date.

47 (d) The provisions of this section shall not apply to existing
48 customers of a person, firm or corporation selling retail fuel oil or
49 propane gas on July 1, 2007, who do not have valid written contracts
50 on said date if such existing customers receive a written contract prior
51 to July 1, 2007, containing all the terms and conditions for delivery of
52 such retail fuel oil or propane gas and the amount of fees, charges or

53 penalties, including tank removal and inspection fees, minimum usage
54 fees, liquidated damages and hazardous materials fees assessed to the
55 consumer under such contract, provided: (1) The fees in such contract
56 shall not be greater than the fees charged to such existing customer on
57 July 1, 2007; (2) the existing customer may reject such contract by
58 notifying the fuel oil or propane gas company within sixty days of
59 receipt of such written contract without any penalty, including, but not
60 limited to, a tank removal fee; and (3) such written contract shall be
61 effective if the existing customer does not reject such contract within
62 sixty days of receipt of such contract.

63 (e) The requirement that contracts be in writing pursuant to this
64 section and section 16a-23n may be satisfied telephonically by a
65 person, firm or corporation selling at retail fuel oil or propane gas, only
66 if: (1) Such telephonic communications are preceded by the consumer
67 having received all terms and conditions of the contract in writing,
68 except for the contract duration, the unit price and the maximum
69 number of units covered by the contract, if any, in advance of such
70 telephonic communications between said consumer and the person,
71 firm or corporation selling at retail fuel oil or propane gas, (2) the
72 person, firm or corporation selling at retail fuel oil or propane gas
73 employs an interactive voice response system or similar technology
74 which provides the consumer with the contract duration, the unit price
75 and the maximum number of units covered by the contract, if any, to
76 complete the contract, (3) the person, firm or corporation selling at
77 retail fuel oil or propane gas retains, in a readily retrievable format, a
78 recording of the consumer agreeing to each such term and condition
79 for the period of the contract plus one year, (4) the person, firm or
80 corporation selling at retail fuel oil or propane gas sends said
81 consumer a letter confirming the agreement to such terms and
82 conditions with the written stipulation that the consumer is bound by
83 such terms and conditions unless the agreement is rescinded by said
84 consumer, in writing, within three business days of receipt of said
85 letter by said consumer, and (5) the person, firm or corporation selling
86 at retail fuel oil or propane gas retains a copy of each such letter.

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

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

91 (a) No retail dealer of fuel oil or propane shall assess a surcharge on
92 the price of fuel oil or propane delivered to a customer if the delivery
93 of the fuel oil or propane is in an amount in excess of one hundred
94 twenty-five gallons, except that a surcharge may be assessed if a
95 delivery is made outside the normal service area or the normal
96 business hours of the dealer or extraordinary labor costs are involved
97 in making a delivery. Any other fee, charge or penalty shall be
98 assessed in accordance with the provisions of section 16a-21, as
99 amended by this act.

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

104 (c) A violation of the provisions of this section constitutes an unfair
105 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

GL *Joint Favorable Subst.*

JUD *Joint Favorable*