

ENERGY AND TECHNOLOGY COMMITTEE

HOUSE BILL NO. 5328: AAC UTILITY CUSTOMER SERVICE COMPLAINTS

FEBRUARY 26, 2008

By statute, the General Assembly has prescribed who deals with consumer complaints and has made that decision a matter of policy. Historically, the Department of Public Utility Control has possessed powers and had authority to order utilities to comply so that customer's needs are responded to in a timely and appropriate manner. In 2007, the DPUC's consumer unit responded to approximately 60,000 calls concerning terminations, billing, service quality and the like.

To the extent that this authority would no longer reside with the Department in the manner prescribed by raised bill 5328, the proposed amendments to the respective sections of C.G.S. section 16-20 and 16-245t need to be further refined and expanded upon.

As currently written, this bill is legally and factually deficient in the following manner: 1) the proposal is vague in directing any appropriations be given to the Office of Consumer Counsel (OCC) as far as funding or staff positions, 2) it lacks any oath for the discharge of duties, 3) it establishes no requirement for regulations, standards or procedures the OCC shall follow in managing complaints; 4) places utilities in an impossible position of having to answer to two mutually exclusive administrative agencies on similar matters; and 5) could indirectly give the OCC the ability to overrule DPUC rate-making authority.

The OCC is not empowered to act as a quasi-judicial authority, nor is it appropriate for them to be issuing orders, conducting mediations and arbitrations without its members being required to take an oath or be confirmed by the general assembly. If this proposal as currently drafted moves forward, the OCC could make recommendations which extend beyond the facts of a particular case or could in effect undermine an established class of rates.

Furthermore, this transfer of authority would not restrict utilities from forum shopping if they were dissatisfied by an OCC or DPUC decision. It is unclear to the Department how utilities could in effect serve two masters. The Department recommends that the OCC be allowed to conduct their process and file their findings with the Department and the Department would within 10 days act on the OCC's findings or if the Department fails to act within the prescribed time, the OCC's recommendation becomes final as long as it does not disallow or undermine rates.

The Department would like to work with the committee to foster a dialogue among all the parties to construct a framework that would benefit the best interest of consumers.