



General Assembly

Substitute Bill No. 523

February Session, 2008

* SB00523GL 031108 *

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 Section 16a-21 of the general statutes is repealed and the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 October 1, 2008*):

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 with the purchaser that contains all the terms and conditions
6 for delivery of such retail fuel oil or propane gas and the amount of
7 fees, charges or penalties, including tank removal and inspection fees,
8 minimum usage fees, liquidated damages and hazardous materials
9 fees assessed to the purchaser under such contract and without placing
10 the unit price, clearly indicated as such, the total number of units sold
11 and the amount of any delivery surcharge in a conspicuous place on
12 the delivery ticket given to the purchaser or an agent of the purchaser
13 at 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 any contract 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 any
30 contract be in writing as set forth in this section shall not apply to any
31 retail fuel oil or propane gas contract where no fee, charge or penalty is
32 assessed, except for the unit price of the retail fuel oil or propane gas
33 delivered to a purchaser and any surcharge authorized under section
34 16a-22b, as amended by this act. No contract for the delivery of retail
35 fuel oil or propane gas under this section shall include a provision for
36 liquidated damages for a purchaser breach of such contract where the
37 liquidated damages exceeds the actual damages to the retail fuel oil or
38 propane 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 any existing
44 purchaser of a person, firm or corporation selling retail fuel oil or
45 propane gas on October 1, 2008, who has a valid written contract on
46 said date.

47 (d) The provisions of this section shall not apply to any existing
48 purchaser of a person, firm or corporation selling retail fuel oil or
49 propane gas on October 1, 2008, who does not have any valid written
50 contract on said date if such existing purchaser receives a written
51 contract prior to October 1, 2008, containing all the terms and
52 conditions for delivery of such retail fuel oil or propane gas and the

53 amount of fees, charges or penalties, including tank removal and
54 inspection fees, minimum usage fees, liquidated damages and
55 hazardous materials fees assessed to the purchaser under such
56 contract, provided: (1) The fees in such contract shall not be greater
57 than the fees charged to such existing customer on October 1, 2008; (2)
58 the existing purchaser may reject such contract by notifying the fuel oil
59 or propane gas company within sixty days of receipt of such written
60 contract without any penalty, including, but not limited to, a tank
61 removal fee; and (3) such written contract shall be effective if the
62 existing purchaser does not reject such contract within sixty days of
63 receipt of such contract.

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

87 at retail fuel oil or propane gas retains a copy of each such letter.

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

90 Sec. 2. Section 16a-22b of the general statutes is repealed and the
91 following is substituted in lieu thereof (*Effective July 1, 2008*):

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

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

105 (c) A violation of the provisions of this section constitutes an unfair
106 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>October 1, 2008</i>	16a-21
Sec. 2	<i>July 1, 2008</i>	16a-22b

Statement of Legislative Commissioners:

"Consumer" was changed to "purchaser" for consistency.

GL *Joint Favorable Subst.-LCO*