

Statement
Of
THE UNITED ILLUMINATING COMPANY
To the
ENERGY & TECHNOLOGY COMMITTEE
Re
RAISED SENATE BILL 1075
AN ACT CONCERNING COMPETITIVE ELECTRIC SUPPLIERS
LEGISLATIVE OFFICE BUILDING
HARTFORD, CT
March 3, 2009

The United Illuminating Company offers the following comments on **Senate Bill 1075 – An Act Concerning Electric Suppliers** for the Committee’s consideration. There are several sections of this Bill that do not appear to offer any customer benefit, and in fact may negatively impact customers.

Under Section (1), subpart (D) of the bill, the term of the qualifying electric offer would be reduced from one year to six months. This would only tend to increase the volatility of the customers supply options. Subpart (5) of this Section should be changed to clarify that a customer returning to standard service, at no cost, must do so at the next billing cycle. This has been the long standing policy in Connecticut since the advent of customer choice in 2000. Switching customers in the middle of a billing cycle increases costs to the distribution company due to the need for a “final” meter reading. Switching at the end of the billing cycle improves the efficiency of the transaction. If a customer chooses to switch mid-cycle, the additional costs must be borne by the customer requesting the switch, as is the current policy. This wording of this subpart should also be changed so that no additional charges can be imposed not only by the electric distribution company or by any other electric supplier. The current wording could be interpreted to allow a supplier to levy additional charges.

Section 2 of this proposed bill requires the Department of Public Utility Control to study to allowing municipalities to establish their own municipal energy efficiency programs. This concept is flawed from a number of perspectives. Contemplating a municipal replacement of Connecticut’s nationally recognized programs currently offered by the electric distribution companies with series of municipal programs has the potential of creating what could potentially lead to 169 separate programs with no guarantee that customers would get enhanced or additional benefits than they are getting now or at a lower cost, for that matter. The customer confusion that could result in having so many different messages regarding energy efficiency would be staggering. The process of offering rebates at local retail outlets would become almost impossible due to the number of different rebates that would be required for the different municipal programs.

Checks and balances are the core of the current system of energy conservation programs in Connecticut. The electric distribution companies design and implement the programs with oversight from the Energy Conservation Management Board. The Department of Public Utility Control then has an overall review of the programs and plans through an annual regulatory process. The concept of having such a potentially large number of municipal programs would lack this checks and balances system and could be too costly for the Board and the DPUC to administer.