



Senate

General Assembly

File No. 473

January Session, 2009

Substitute Senate Bill No. 1101

Senate, April 6, 2009

The Committee on Energy and Technology reported through SEN. FONFARA, J. of the 1st Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING COORDINATION OF LOW-INCOME ENERGY PROGRAMS.

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

1 Section 1. (NEW) (*Effective from passage*) (a) On or before June 30,
2 2010, the Department of Public Utility Control shall conduct a
3 proceeding regarding development of discounted rates for service
4 provided by gas and electric distribution companies to low-income
5 customers. Such proceeding shall include, but not be limited to, review
6 of the current and future availability of rate discounts for individuals
7 who receive means-tested assistance administered by the state or
8 federal government through any electricity purchasing pool operated
9 by the Office of Policy and Management pursuant to section 16a-14e of
10 the general statutes, energy assistance benefits available through any
11 plan adopted pursuant to section 16a-41a of the general statutes or
12 through state funded or administered programs, conservation
13 assistance available pursuant to sections 16-245m and 16-32f of the
14 general statutes, assistance funded or administered by the Department

15 of Social Services or the Office of Policy and Management, renewable
16 energy resource assistance available pursuant to section 16-245n of the
17 general statutes, or matching payment program benefits available
18 pursuant to subsection (b) of section 16-262c of the general statutes.
19 The Department of Public Utility Control shall (1) coordinate resources
20 and programs, to the extent practicable; (2) develop rates that take into
21 account the indigency of persons of poverty status and allow such
22 persons' households to meet the costs of essential energy needs; and (3)
23 prepare an analysis of the benefits and anticipated costs of such
24 discounted rates.

25 (b) The Department of Public Utility Control shall order filing by
26 each gas or electric company of proposed rates consistent with its
27 decision pursuant to subsection (a) of this section not later than sixty
28 days after its issuance and appropriate modification of existing low-
29 income programs, including the matching payment program. Each
30 company shall conduct outreach to make its low-income discounted
31 rates available to eligible customers and report to the Department of
32 Public Utility Control at least annually regarding its outreach activities
33 and the results of such activities.

34 (c) The cost of discounted rates and related outreach activities
35 pursuant to this section shall be included in the rates charged to all
36 other customers as follows: (1) An electric distribution company shall
37 recover such costs through the systems benefits charge on a
38 semiannual basis, and (2) a gas company shall recover such costs on a
39 semiannual basis through a public benefits charge developed and
40 approved by the Department of Public Utility Control.

41 (d) On or before July 1, 2011, the Department of Public Utility
42 Control shall report, in accordance with section 11-4a of the general
43 statutes, to the joint standing committee of the General Assembly
44 having cognizance of matters relating to energy regarding the benefits
45 and costs of the discounted rates established pursuant to subsection (a)
46 of this section and any recommended modifications.

47 (e) The Department of Public Utility Control shall adopt regulations,

48 in accordance with the provisions of chapter 54 of the general statutes,
49 to implement the provisions of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

ET *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

This bill requires the Department of Public Utility Control to conduct a proceeding on developing discounted gas and electric rates for low-income customers. Currently the DPUC opens approximately 350 proceedings annually. Therefore it is anticipated that opening this additional proceeding will not result in any fiscal impact to the agency.

The Out Years

None

OLR Bill Analysis**sSB 1101*****AN ACT CONCERNING COORDINATION OF LOW-INCOME ENERGY PROGRAMS.*****SUMMARY:**

This bill requires the Department of Public Utility Control (DPUC) to conduct a proceeding, by June 30, 2010, on developing discounted gas and electric rates for low-income customers.

The bill requires DPUC to (1) coordinate resources and programs for these customers, to the extent practicable; (2) develop discounted rates that take into account the indigency of poor people and allow their households to meet the costs of essential energy needs; and (3) analyze the benefits and anticipated costs of these rates.

DPUC must order each gas and electric company to file proposed rates consistent with its decision in the proceeding within 60 days after issuing it. It must appropriately modify existing low-income programs, including the matching payment program.

The bill requires each company to conduct outreach to make its discounted rates available to eligible customers. They must report to DPUC at least annually regarding their outreach activities and the results.

Gas and electric companies must include the cost of discounted rates and outreach activities in the rates charged to all other customers. For electric companies, the costs must be recovered through the existing systems benefits charge on a semiannual basis. For gas companies, the costs must be recovered through a public benefits charge developed and approved by DPUC, also on a semiannual basis.

The bill requires DPUC, by July 1, 2011, to report to the Energy and

Technology Committee on the benefits and costs of the discounted rates and any recommended modifications to them. It also requires DPUC to adopt implementing regulations.

EFFECTIVE DATE: Upon passage

DPUC PROCEEDING

The proceeding must at least review

the availability of rate discounts for individuals who receive state or federal assistance through any electricity purchasing pool operated by the Office of Policy and Management (OPM)

1. energy assistance benefits,
2. conservation assistance available from electric and gas company programs,
3. assistance funded or administered by the Department of Social Services or OPM,
4. renewable energy resource assistance from the Clean Energy Fund, or
5. matching payment program benefits available from electric and gas companies.

The law required OPM to open the state purchasing pool to individuals receiving state or federal assistance, but OPM has been unable to find a willing supplier.

BACKGROUND

Related Bill

sHB 6536, favorably reported by the Energy and Technology Committee, includes similar provisions.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 17 Nay 4 (03/19/2009)