



General Assembly

January Session, 2009

***Raised Bill No. 1075***

LCO No. 3945

\*03945\_\_\_\_\_ET\_\*

Referred to Committee on Energy and Technology

Introduced by:  
(ET)

***AN ACT CONCERNING COMPETITIVE ELECTRIC SUPPLIERS.***

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

1 Section 1. Subsection (k) of section 16-244c of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective from*  
3 *passage*):

4 (k) (1) As used in this section:

5 (A) "Participating electric supplier" means an electric supplier that is  
6 licensed by the department to provide electric service, pursuant to this  
7 subsection, to residential or small commercial customers.

8 (B) "Residential customer" means a customer who is eligible for  
9 standard service and who takes electric distribution-related service  
10 from an electric distribution company pursuant to a residential tariff.

11 (C) "Small commercial customer" means a customer who is eligible  
12 for standard service and who takes electric distribution-related service  
13 from an electric distribution company pursuant to a small commercial  
14 tariff.

15 (D) "Qualifying electric offer" means an offer to provide full  
16 requirements commodity electric service and all other generation-  
17 related service to a residential or small commercial customer at a fixed  
18 price per kilowatt hour for a term of no less than [one year] six months.

19 (2) In the manner determined by the department, residential or  
20 small commercial service customers (A) initiating new utility service,  
21 (B) reinitiating service following a change of residence or business  
22 location, (C) making an inquiry regarding their utility rates, or (D)  
23 seeking information regarding energy efficiency shall be offered the  
24 option to learn about their ability to enroll with a participating electric  
25 supplier. Customers expressing an interest to learn about their electric  
26 supply options shall be informed of the qualifying electric offers then  
27 available from participating electric suppliers. The electric distribution  
28 companies shall describe then available qualifying electric offers  
29 through a method reviewed and approved by the department. The  
30 information conveyed to customers expressing an interest to learn  
31 about their electric supply options shall include, at a minimum, the  
32 price and term of the available electric supply option. Customers  
33 expressing an interest in a particular qualifying electric offer shall be  
34 immediately transferred to a call center operated by that participating  
35 electric supplier.

36 (3) Not later than September 1, 2007, the department shall establish  
37 terms and conditions under which a participating electric supplier can  
38 be included in the referral program described in subdivision (2) of this  
39 subsection. Such terms shall include, but not be limited to, requiring  
40 participating electrical suppliers to offer time-of-use and real-time use  
41 rates to residential customers.

42 (4) Each calendar quarter, participating electric suppliers shall be  
43 allowed to list qualifying offers to provide electric generation service  
44 to residential and small commercial customers with each customer's  
45 utility bill. The department shall determine the manner such  
46 information is presented in customers' utility bills.

47 (5) Any customer that receives electric generation service from a  
48 participating electric supplier may return to standard service or may  
49 choose another participating electric supplier [at any time, including]  
50 during the qualifying electric offer, without the imposition of any  
51 additional charges. Any customer that is receiving electric generation  
52 service from an electric distribution company pursuant to standard  
53 service can switch to another participating electric supplier and return  
54 to standard service at any time without the imposition of additional  
55 charges by the electric distribution company.

56 Sec. 2. (NEW) (*Effective from passage*) On or before January 1, 2009,  
57 the Department of Public Utility Control shall conduct an uncontested  
58 proceeding to consider giving municipalities the authority to form  
59 aggregation compacts that would allow them to operate regional  
60 energy efficiency programs modeled on Massachusetts's Cape Light  
61 Compact. The department shall report the findings of such proceeding,  
62 in accordance with the provisions of section 11-4a of the general  
63 statutes, to the joint standing committee of the General Assembly  
64 having cognizance of matters relating to energy.

65 Sec. 3. Section 16-245s of the general statutes is repealed and the  
66 following is substituted in lieu thereof (*Effective July 1, 2009*):

67 (a) No electric distribution company shall submit or execute a  
68 change in a customer's selection of an electric supplier unless the  
69 change has been confirmed by one of the following: (1) [An  
70 independent third-party] A recorded telephone verification that is  
71 subject to an audit; (2) receipt of a written confirmation received in the  
72 mail from the customer after the customer has received an information  
73 package confirming any telephone agreement; (3) the customer signs a  
74 document fully explaining the nature and effect of the change in  
75 service; or (4) the customer's consent is obtained through electronic  
76 means, including, but not limited to, a computer transaction.

77 (b) [Third-party telephone] Telephone verification shall [be in  
78 accordance with the following procedures: (1) The electric supplier

79 seeking to verify the change shall do so by connecting the customer by  
80 telephone to the third-party verification company or by arranging for  
81 the third-party verification company to call the resident to confirm the  
82 sale; and (2) the third-party verification] include, but not be limited to,  
83 the company [shall obtain] obtaining the customer's oral confirmation  
84 regarding the change [,] and [shall record] recording that confirmation  
85 by obtaining appropriate verification data. The record shall be  
86 available to the customer upon request. Information obtained from the  
87 customer through confirmation shall not be used for marketing  
88 purposes. The verification procedure in this subsection shall not apply  
89 when a residential customer directly calls an electric distribution  
90 company to make changes in electric supplier service, provided an  
91 electric supplier shall not avoid the verification procedure by asking a  
92 residential customer to contact an electric distribution company  
93 directly to make changes in electric supplier service. [For purposes of  
94 this section, "third-party verification company" means a company that:  
95 (A) Is independent from the electric supplier that seeks to provide the  
96 new service; (B) is not directly or indirectly managed, controlled or  
97 directed or owned wholly or in part by (i) an electric supplier that  
98 seeks to provide the new service, or (ii) any corporation, firm or person  
99 who directly or indirectly manages, controls or directs or owns more  
100 than five per cent of such supplier; (C) operates from facilities  
101 physically separate from those of the electric supplier that seeks to  
102 provide the new service; and (D) does not derive commissions or  
103 compensation based upon the number of sales confirmed.]

104 (c) Any violation of this section shall be deemed an unfair or  
105 deceptive trade practice under subsection (a) of section 42-110b.

106 (d) The Department of Public Utility Control shall adopt  
107 regulations, in accordance with the provisions of chapter 54, to address  
108 abusive switching practices by suppliers.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	16-244c(k)
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>July 1, 2009</i>	16-245s

**Statement of Purpose:**

To facilitate electric retail customer choice.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*