



# CLEAN WATER ACTION

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## Testimony of Roger Smith, Campaign Director, Clean Water Action Energy and Technology Committee March 16, 2010

### Testimony on House Bill 5507: AN ACT CONCERNING CONSUMER PROTECTIONS IN THE RETAIL ELECTRICITY MARKET.

Clean Water Action is a national environmental non-profit dedicated to protecting human health with 25,000 Connecticut members. We have promoted the voluntary CTCleanEnergyOptions program since its inception in 2005.

Clean Water Action asks that this bill's consumer protections be expanded to ensure that the marketing of retail electric suppliers accurately describe the renewable energy benefits and content of their products. The Attorney General called for such protections on February 23<sup>rd</sup>:

<http://ctwatchdog.com/2010/02/23/renewable-energy-sources-ct-atty-gen-says-proof-needed>

The legislatively created CTCleanEnergyOptions program is audited by the DPUC. However customers are becoming confused as any retail electric supplier can say their product has more renewable energy content than required and subsequent environmental benefits without any oversight or audit by the Department of Public Utility Control. The DPUC only audits competitive suppliers for compliance with the mandatory Renewable Portfolio Standard.

This is increasingly a problem as companies including Viridian, ConEd Solutions and others are differentiating their energy products based in part on claimed environmental benefits.

This bill should be amended to require:

#### Full and Accurate Disclosure

- Suppliers must be required to disclose in a standardized format the amount of additional renewable energy credits they will purchase beyond what is required, where any additional renewable energy credits are being sourced from (what state or regional power pool), and the exact type or mix of renewable energy resource (wind, forest biomass, solar PV, etc.)
- Suppliers should only be able to advertise what they are buying for the customer *above and beyond* what is required by the state RPS. Until I filed a complaint, one supplier made green claims about the benefits of renewable energy they were forced to supply by law.
- Suppliers must report their renewable mixes to the DPUC and update the DPUC any time they change.

#### Reporting and Oversight

- Suppliers need to annually account for how many kWh their customers consumed for each and every renewable energy product they sell and demonstrate to the DPUC that they purchased and retired the appropriate quantity and type of RECs on their behalf.

To quote the Attorney General: "Whether they're buying brand name clothes or electricity, consumers deserve iron-clad certainty that they're getting what they paid for," Blumenthal said. "Environment-minded consumers must put blind faith in the retailer claims — believing and hoping that their electric companies are using renewable energy sources, but never knowing for sure. The DPUC should trust — but verify — company claims to deliver clean energy. The state has a moral and legal obligation to protect electric consumers from deceptive or false claims — particularly when consumers have no way of independently verifying these claims."