WRITTEN TESTIMONY FROM GREATER HARTFORD LEGAL AID, INC.

RE SUBMETERING: PROPOSED BILL 6360 AND GOVERNOR'S BILL 5587

March 6, 2013

This testimony is submitted by Greater Hartford Legal Aid, Inc., to identify potential consumer protection issues that are inherent with submetering of electricity at multifamily residential buildings that are not expressly addressed by the proposed bills. Both proposed bills 6360 and 5587 would amend Conn. Gen. Stat. §16-19ff to permit the approval of submetering at multifamily residential buildings, with approval of the Public Utility Regulatory Authority ("PURA"). Neither bill, however, expressly requires that consumer protections that exist for low-income tenants that are customers of Connecticut's Electric Distribution Companies ("EDCs") be extended to submetered electricity customers.

Proposed Bill 5587's proposed amendment to §16-19ff(4) is overly broad, without sufficient guidance as to the types of consumer protections that should be extended to submetered electricity customers. Express statutory reference to the panoply of consumer protections contained in Conn. Gen. Stat. §16-1 *et seq.* will ensure equity between the EDC and submetered electricity markets. While subsection (b)(3) of the proposed amendment to §16-19ff does provide that the regulations adopted by PURA should "require that the ultimate services delivered to a submetered customer are consistent with any service requirements imposed upon the company", that should be amended to be more specific to the robust consumer protections contained in Connecticut's General Statutes. EDC Customers are entitled to meter testing, immunity from liability for inaccurate

service, shut-off protections for particularly vulnerable customers, mandated amortized payment plans with incorporated third party assistance and matching arrearage forgiveness, notice requirements, format and content mandates for bills, mandated counseling as to the availability of assistance and payment plans, privacy/identity protections, protection from credit reporting for certain periods, internal appeal processes and stays of negative action during such appeals, and consumer choice of suppliers to obtain lower rates, among other processes and protections. *See e.g.,* Conn. Gen. Stat. §§16-245d, 259, 259a, 262c, 262d, 262e. Wilful or malicious violations of many of these statutorily mandated protections "shall be punishable by a fine of not more than five hundred dollars or imprisonment for not more than thirty days or both." Conn. Gen. Stat. §16-262g.

The proposed bills do not contain any protections from evictions or other landlord-tenant specific issues. The most significant concern for customers of submetered electricity, particularly for tenants in buildings where the landlord is merely reselling EDC electricity, is the potential for evictions, unlawful retention of security deposits, and other landlord- tenant issues. ***A public utility company does not possess the legal right to evict a consumer from their home.*** Connecticut consumers have already experienced these issues in residential buildings where landlords are submetering without the permission of PURA. Landlords are not required by the statute, for example, to lower the rent if they commence submetering, allowing landlords to "double charge" for the cost of utilities already built into the rent and the additional submetered electricity. Landlords will take payments which are tendered as "rent", apply them to submetering balances, and then commence summary process actions for nonpayment of rent. ***The proposed amendment contains no bar on eviction for nonpayment of submetered electricity, and does not force a landlord to offer a reasonable out-of-court repayment agreement.*** Presently, an individual experiencing financial hardship can negotiate with her utility company and landlord separately, and can choose to prioritize payment of rent to prevent homelessness while availing herself of shut-off protections and payment plans available through the publicly regulated EDCs. Submetering merges the role

of landlord with utility company. If landlord-tenant protections are not expressly put into place, that merger will allow landlords to use the threat of homelessness as leverage to ensure payment of submetered electricity bills.

Thank you for your consideration of this testimony.

RESPECTFULLY SUBMITTED,
GREATER HARTFORD LEGAL AID, INC.

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