



**Connecticut
Light & Power**

The Northeast Utilities System



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**TESTIMONY OF JAY FLETCHER
THE CONNECTICUT LIGHT AND POWER COMPANY
and YANKEE GAS SERVICES COMPANY**

**Energy and Technology Committee
March 7, 2013**

RE: HOUSE BILL NO. 5796, AN ACT CONCERNING GAS COMPANY DEPOSITS

Good afternoon. My name is Jay Fletcher, Director of Regulatory Policy for Northeast Utilities Service Company. I am appearing on behalf of The Connecticut Light and Power Company and Yankee Gas Services Company. Here with me today is Stephen Gibelli, Assistant General Counsel for NUSCO.

It is difficult to comment on this bill as written, as the proposed concept has not been presented as statutory language. However, we oppose the general concept of the bill. A recent report from Experian/Moody's Analytics indicated that their Small Business Credit Index is at the lowest level ever tracked by this organization. 15% of new businesses fail within the first year of operation, and 30% fail within the first two years. Collecting a reasonable security deposit from these businesses is a way to protect all other customers from the potential failure of the business and default on their utility obligations. Connecticut already has legislation in place that limits a utility's ability to collect a security deposit to 45 days. This bill would further limit that ability to 30 days, which would have the effect of increasing bad debt that must then be paid for by all other customers.

Thank you for the opportunity to provide testimony on this bill.