



House of Representatives

File No. 833

General Assembly

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(Reprint of File No. 406)

Substitute House Bill No. 6473
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
May 20, 2013

**AN ACT CONCERNING THE PUBLIC UTILITIES REGULATORY
AUTHORITY, WHISTLEBLOWER PROTECTION, THE PURCHASED
GAS ADJUSTMENT CLAUSE, ELECTRIC SUPPLIER DISCLOSURE
REQUIREMENTS, AND MINOR AND TECHNICAL CHANGES TO THE
UTILITY STATUTES.**

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

1 Section 1. Subdivision (1) of subsection (b) of section 16-8 of the
2 general statutes is repealed and the following is substituted in lieu
3 thereof (*Effective from passage*):

4 (b) (1) The authority may [, within available appropriations,]
5 employ professional personnel to perform management audits. The
6 authority shall promptly establish such procedures as it deems
7 necessary or desirable to provide for management audits to be
8 performed on a regular or irregular schedule on all or any portion of
9 the operating procedures and any other internal workings of any
10 public service company, including the relationship between any public
11 service company and a related holding company or subsidiary,
12 consistent with the provisions of section 16-8c, provided no such audit

13 shall be performed on a community antenna television company,
14 except with regard to any noncable communications services which
15 the company may provide, or when (A) such an audit is necessary for
16 the authority to perform its regulatory functions under the
17 Communications Act of 1934, 47 USC 151, et seq., as amended from
18 time to time, other federal law or state law, (B) the cost of such an audit
19 is warranted by a reasonably foreseeable financial, safety or service
20 benefit to subscribers of the company which is the subject of such an
21 audit, and (C) such an audit is restricted to examination of the
22 operating procedures that affect operations within the state.

23 Sec. 2. Subdivision (5) of subsection (b) of section 16-8 of the general
24 statutes is repealed and the following is substituted in lieu thereof
25 (*Effective from passage*):

26 (5) The results of an audit performed pursuant to this section shall
27 be filed with the authority and shall be open to public inspection.
28 Upon completion and review of the audit, if the person or firm
29 performing or supervising the audit determines that any of the
30 operating procedures or any other internal workings of the affected
31 public service company are inefficient, improvident, unreasonable,
32 negligent or in abuse of discretion, the authority may, after notice and
33 opportunity for a hearing, order the affected public service company to
34 adopt such new or altered practices and procedures as the authority
35 shall find necessary to promote efficient and adequate service to meet
36 the public convenience and necessity. The authority shall annually
37 submit a report of audits performed pursuant to this section to the
38 joint standing committee of the General Assembly having cognizance
39 of matters relating to public utilities which report shall include the
40 status of audits begun but not yet completed and a summary of the
41 results of audits completed. Any such report may be submitted
42 electronically.

43 Sec. 3. Subsections (c) and (d) of section 16-8a of the general statutes
44 are repealed and the following is substituted in lieu thereof (*Effective*
45 *July 1, 2013*):

46 (c) (1) Not more than [thirty] ninety business days after receipt of a
47 written complaint, in a form prescribed by the authority, by an
48 employee alleging the employee's employer has retaliated against an
49 employee in violation of subsection (a) of this section, the authority
50 shall make a preliminary finding in accordance with this subsection.

51 (2) Not more than five business days after receiving a written
52 complaint, in a form prescribed by the authority, the authority shall
53 notify the employer by certified mail. Such notification shall include a
54 description of the nature of the charges and the substance of any
55 relevant supporting evidence. The employer may submit a written
56 response and both the employer and the employee may present
57 rebuttal statements in the form of affidavits from witnesses and
58 supporting documents and may meet with the authority informally to
59 respond verbally about the nature of the employee's charges. The
60 authority shall consider in making its preliminary finding as provided
61 in subdivision (3) of this subsection any such written and verbal
62 responses, including affidavits and supporting documents, received by
63 the authority not more than twenty business days after the employer
64 receives such notice. Any such response received after twenty business
65 days shall be considered by the authority only upon a showing of good
66 cause and at the discretion of the authority. The authority shall make
67 its preliminary finding as provided in subdivision (3) of this subsection
68 based on information described in this subdivision, without a public
69 hearing.

70 (3) Unless the authority finds by clear and convincing evidence that
71 the adverse employment action was taken for a reason unconnected
72 with the employee's report of substantial misfeasance, malfeasance or
73 nonfeasance, there shall be a rebuttable presumption that an employee
74 was retaliated against in violation of subsection (a) of this section if the
75 authority finds that: (A) The employee had reported substantial
76 misfeasance, malfeasance or nonfeasance in the management of the
77 public service company, holding company or licensee; (B) the
78 employee was subsequently discharged, suspended, demoted or
79 otherwise penalized by having the employee's status of employment

80 changed by the employee's employer; and (C) the subsequent
81 discharge, suspension, demotion or other penalty followed the
82 employee's report closely in time.

83 (4) If such findings are made, the authority shall issue an order
84 requiring the employer to immediately return the employee to the
85 employee's previous position of employment or an equivalent position
86 pending the completion of the authority's full investigatory proceeding
87 pursuant to subsection (d) of this section.

88 (d) Not later than thirty days after making a preliminary finding in
89 accordance with the provisions of subsection (c) of this section, the
90 authority shall initiate a full investigatory proceeding in accordance
91 with the provisions of section 16-8, as amended by this act, at which
92 time the employer shall have the opportunity to rebut the
93 presumption. The authority may issue orders, [or] impose civil
94 penalties, order payment of back pay or award attorneys' fees in a
95 manner that conforms with the notice and hearing provisions in
96 section 16-41 against a public service company, holding company or
97 licensee or a person, firm, corporation, contractor or subcontractor
98 directly or indirectly providing goods or services to such public service
99 company, holding company or licensee, in order to enforce the
100 provisions of this section.

101 Sec. 4. Subsection (a) of section 16-19 of the general statutes is
102 repealed and the following is substituted in lieu thereof (*Effective*
103 *October 1, 2013*):

104 (a) No public service company may charge rates in excess of those
105 previously approved by the Public Utilities Control Authority or the
106 Public Utilities Regulatory Authority, except that any rate approved by
107 the Public Utilities Commission, [or] the Public Utilities Control
108 Authority or the Public Utilities Regulatory Authority shall be
109 permitted until amended by the [Public Utilities Control Authority or
110 the] Public Utilities Regulatory Authority, that rates not approved by
111 the [Public Utilities Control Authority or the] Public Utilities

112 Regulatory Authority may be charged pursuant to subsection (b) of
113 this section, and that the hearing requirements with respect to
114 adjustment clauses are as set forth in section 16-19b, as amended by
115 this act. For water companies, existing rates shall include the amount
116 of any adjustments approved pursuant to section 16-262w since the
117 company's most recent general rate case, provided any adjustment
118 amount shall be separately identified in any customer bill. Each public
119 service company shall file any proposed amendment of its existing
120 rates with the authority in such form and in accordance with such
121 reasonable regulations as the authority may prescribe. Each electric,
122 electric distribution, gas or telephone company filing a proposed
123 amendment shall also file with the authority an estimate of the effects
124 of the amendment, for various levels of consumption, on the
125 household budgets of high and moderate income customers and
126 customers having household incomes not more than one hundred fifty
127 per cent of the federal poverty level. Each electric and electric
128 distribution company shall also file such an estimate for space heating
129 customers. Each water company, except a water company that
130 provides water to its customers less than six consecutive months in a
131 calendar year, filing a proposed amendment, shall also file with the
132 authority a plan for promoting water conservation by customers in
133 such form and in accordance with a memorandum of understanding
134 entered into by the authority pursuant to section 4-67e. Each public
135 service company shall notify each customer who would be affected by
136 the proposed amendment, by mail, at least one week prior to the first
137 public hearing thereon, but not earlier than six weeks prior to such first
138 public hearing, that an amendment has been or will be requested. Such
139 notice shall also indicate (1) the date, time and location of any
140 scheduled public hearing, (2) a statement that customers may provide
141 written comments regarding the proposed amendment to the Public
142 Utilities Regulatory Authority or appear in person at any scheduled
143 public hearing, (3) the Public Utilities Regulatory Authority telephone
144 number for obtaining information concerning the schedule for public
145 hearings on the proposed amendment, and [(2)] (4) whether the
146 proposed amendment would, in the company's best estimate, increase

147 any rate or charge by twenty per cent or more, and, if so, describe in
148 general terms any such rate or charge and the amount of the proposed
149 increase, provided no such company shall be required to provide more
150 than one form of the notice to each class of its customers. In the case of
151 a proposed amendment to the rates of any public service company, the
152 authority shall hold [a public hearing] one or more public hearings
153 thereon, except as permitted with respect to interim rate amendments
154 by subsections (d) and (g) of this section, and shall make such
155 investigation of such proposed amendment of rates as is necessary to
156 determine whether such rates conform to the principles and guidelines
157 set forth in section 16-19e, or are unreasonably discriminatory or more
158 or less than just, reasonable and adequate, or that the service furnished
159 by such company is inadequate to or in excess of public necessity and
160 convenience. The authority, if in its opinion such action appears
161 necessary or suitable in the public interest may, and, upon written
162 petition or complaint of the state, under direction of the Governor,
163 shall, make the aforesaid investigation of any such proposed
164 amendment which does not involve an alteration in rates. If the
165 authority finds any proposed amendment of rates to not conform to
166 the principles and guidelines set forth in section 16-19e, or to be
167 unreasonably discriminatory or more or less than just, reasonable and
168 adequate to enable such company to provide properly for the public
169 convenience, necessity and welfare, or the service to be inadequate or
170 excessive, it shall determine and prescribe, as appropriate, an adequate
171 service to be furnished or just and reasonable maximum rates and
172 charges to be made by such company. In the case of a proposed
173 amendment filed by an electric, electric distribution, gas or telephone
174 company, the authority shall also adjust the estimate filed under this
175 subsection of the effects of the amendment on the household budgets
176 of the company's customers, in accordance with the rates and charges
177 approved by the authority. The authority shall issue a final decision on
178 each rate filing within one hundred fifty days from the proposed
179 effective date thereof, provided it may, before the end of such period
180 and upon notifying all parties and intervenors to the proceedings,
181 extend the period by thirty days.

182 Sec. 5. Subsection (h) of section 16-19b of the general statutes is
183 repealed and the following is substituted in lieu thereof (*Effective*
184 *October 1, 2013*):

185 (h) The Public Utilities Regulatory Authority shall continually
186 monitor and oversee the application of the purchased gas adjustment
187 clause, the energy adjustment clause, and the transmission rate
188 adjustment clause. The authority shall hold a public hearing thereon
189 whenever the authority deems it necessary or upon application of the
190 Office of Consumer Counsel, but no less frequently than [once every
191 six months] annually, and undertake such other proceeding thereon to
192 determine whether charges or credits made under such clauses reflect
193 the actual prices paid for purchased gas or energy and the actual
194 transmission costs and are computed in accordance with the applicable
195 clause. If the authority finds that such charges or credits do not reflect
196 the actual prices paid for purchased gas or energy, and the actual
197 transmission costs or are not computed in accordance with the
198 applicable clause, it shall recompute such charges or credits and shall
199 direct the company to take such action as may be required to insure
200 that such charges or credits properly reflect the actual prices paid for
201 purchased gas or energy and the actual transmission costs and are
202 computed in accordance with the applicable clause for the applicable
203 period.

204 Sec. 6. Subsection (a) of section 16-49 of the general statutes is
205 repealed and the following is substituted in lieu thereof (*Effective from*
206 *passage*):

207 (a) As used in this section:

208 (1) "Company" means (A) any public service company other than a
209 telephone company, that had more than one hundred thousand dollars
210 of gross revenues in the state in the calendar year preceding the
211 assessment year under this section, except any such company not
212 providing service to retail customers in the state, (B) any telephone
213 company that had more than one hundred thousand dollars of gross

214 revenues in the state from telecommunications services in the calendar
215 year preceding the assessment year under this section, except any such
216 company not providing service to retail customers in the state, (C) any
217 certified telecommunications provider that had more than one
218 hundred thousand dollars of gross revenues in the state from
219 telecommunications services in the calendar year preceding the
220 assessment year under this section, except any such certified
221 telecommunications provider not providing service to retail customers
222 in the state, (D) any electric supplier that had more than one hundred
223 thousand dollars of gross revenues in the state in the calendar year
224 preceding the assessment year under this section, except any such
225 supplier not providing electric generation services to retail customers
226 in the state, or (E) any certified competitive video service provider
227 issued a certificate of video franchise authority by the [Department of
228 Energy and Environmental Protection] Public Utilities Regulatory
229 Authority in accordance with section 16-331e that had more than one
230 hundred thousand dollars of gross revenues in the state in the calendar
231 year preceding the assessment year under this section, except any such
232 certified competitive video service provider not providing service to
233 retail customers in the state;

234 (2) "Telecommunications services" means (A) in the case of
235 telecommunications services provided by a telephone company, any
236 service provided pursuant to a tariff approved by the authority other
237 than wholesale services and resold access and interconnections
238 services, and (B) in the case of telecommunications services provided
239 by a certified telecommunications provider other than a telephone
240 company, any service provided pursuant to a tariff approved by the
241 authority and pursuant to a certificate of public convenience and
242 necessity; and

243 (3) "Fiscal year" means the period beginning July first and ending
244 June thirtieth.

245 Sec. 7. Subdivision (3) of subsection (a) of section 16-244c of the
246 general statutes, as amended by section 9 of public act 13-5, is repealed

247 and the following is substituted in lieu thereof (*Effective from passage*):

248 (3) An electric distribution company providing electric generation
249 services pursuant to this subsection shall cooperate with the
250 procurement manager of the [Department of Energy and
251 Environmental Protection] Public Utilities Regulatory Authority and
252 comply with the procurement plan for electric generation services
253 contracts. Such plan shall require that the portfolio of service contracts
254 be procured in such manner and duration as the authority determines
255 to be most likely to produce just, reasonable and reasonably stable
256 retail rates while reflecting underlying wholesale market prices over
257 time. The portfolio of contracts shall be assembled in such manner as
258 to invite competition; guard against favoritism, improvidence,
259 extravagance, fraud and corruption; and secure a reliable electricity
260 supply while avoiding unusual, anomalous or excessive pricing. An
261 affiliate of an electric distribution company may bid for an electric
262 generation services contract, provided such electric distribution
263 company and affiliate are in compliance with the code of conduct
264 established in section 16-244h.

265 Sec. 8. Subsection (g) of section 16-244c of the general statutes, as
266 amended by section 9 of public act 13-5, is repealed and the following
267 is substituted in lieu thereof (*Effective from passage*):

268 (g) The [Department of Energy and Environmental Protection]
269 Public Utilities Regulatory Authority shall establish, by regulations
270 adopted pursuant to chapter 54, procedures for when and how a
271 customer is notified that his electric supplier has defaulted and of the
272 need for the customer to choose a new electric supplier within a
273 reasonable period of time or to return to standard service.

274 Sec. 9. Subsection (j) of section 16-244c of the general statutes, as
275 amended by section 9 of public act 13-5, is repealed and the following
276 is substituted in lieu thereof (*Effective from passage*):

277 (j) Each electric distribution company shall offer to bill customers on
278 behalf of participating electric suppliers and to pay such suppliers in a

279 timely manner the amounts due such suppliers from customers for
280 generation services, less a percentage of such amounts that reflects
281 uncollectible bills and overdue payments as approved by the
282 [Department of Energy and Environmental Protection] Public Utilities
283 Regulatory Authority.

284 Sec. 10. Section 16-245d of the general statutes, as amended by
285 section 43 of public act 13-5, is repealed and the following is
286 substituted in lieu thereof (*Effective from passage*):

287 (a) The [Department of Energy and Environmental Protection]
288 Public Utilities Regulatory Authority shall, by regulations adopted
289 pursuant to chapter 54, develop a standard billing format that enables
290 customers to compare pricing policies and charges among electric
291 suppliers. The [department] authority shall adopt regulations, in
292 accordance with the provisions of chapter 54, to provide that an
293 electric supplier, until July 1, 2012, may provide direct billing and
294 collection services for electric generation services and related federally
295 mandated congestion charges that such supplier provides to its
296 customers with a maximum demand of not less than one hundred
297 kilowatts that choose to receive a bill directly from such supplier and,
298 on and after July 1, 2012, shall provide direct billing and collection
299 services for electric generation services and related federally mandated
300 congestion charges that such suppliers provide to their customers or
301 may choose to obtain such billing and collection service through an
302 electric distribution company and pay its pro rata share in accordance
303 with the provisions of subsection (f) of section 16-244c, as amended by
304 [this act] public act 13-5. Any customer of an electric supplier, which is
305 choosing to provide direct billing, who paid for the cost of billing and
306 other services to an electric distribution company shall receive a credit
307 on their monthly bill.

308 (1) An electric supplier that chooses to provide billing and collection
309 services shall, in accordance with the billing format developed by the
310 [department] authority, include the following information in each
311 customer's bill: (A) The total amount owed by the customer, which

312 shall be itemized to show (i) the electric generation services component
313 and any additional charges imposed by the electric supplier, and (ii)
314 federally mandated congestion charges applicable to the generation
315 services; (B) any unpaid amounts from previous bills, which shall be
316 listed separately from current charges; (C) the rate and usage for the
317 current month and each of the previous twelve months in bar graph
318 form or other visual format; (D) the payment due date; (E) the interest
319 rate applicable to any unpaid amount; (F) the toll-free telephone
320 number of the Public Utilities Regulatory Authority for questions or
321 complaints; and (G) the toll-free telephone number and address of the
322 electric supplier. On or before [February 1, 2012] October 1, 2013, the
323 authority shall conduct a review of the costs and benefits of suppliers
324 billing for all components of electric service, and report, in accordance
325 with the provisions of section 11-4a, to the joint standing committee of
326 the General Assembly having cognizance of matters relating to energy
327 regarding the results of such review. Any such report may be
328 submitted electronically.

329 (2) An electric distribution company shall, in accordance with the
330 billing format developed by the authority, include the following
331 information in each customer's bill: (A) The total amount owed by the
332 customer, which shall be itemized to show, (i) the electric generation
333 services component if the customer obtains standard service or last
334 resort service from the electric distribution company, (ii) the
335 distribution charge, including all applicable taxes and the systems
336 benefits charge, as provided in section 16-245l, (iii) the transmission
337 rate as adjusted pursuant to subsection (d) of section 16-19b, (iv) the
338 competitive transition assessment, as provided in section 16-245g, (v)
339 federally mandated congestion charges, and (vi) the conservation and
340 renewable energy charge, consisting of the conservation and load
341 management program charge, as provided in section 16-245m, as
342 amended by [this act] public act 13-5, and the renewable energy
343 investment charge, as provided in section 16-245n; (B) any unpaid
344 amounts from previous bills which shall be listed separately from
345 current charges; (C) except for customers subject to a demand charge,

346 the rate and usage for the current month and each of the previous
347 twelve months in the form of a bar graph or other visual form; (D) the
348 payment due date; (E) the interest rate applicable to any unpaid
349 amount; (F) the toll-free telephone number of the electric distribution
350 company to report power losses; (G) the toll-free telephone number of
351 the Public Utilities Regulatory Authority for questions or complaints;
352 and (H) if a customer has a demand of five hundred kilowatts or less
353 during the preceding twelve months, a statement about the availability
354 of information concerning electric suppliers pursuant to section 16-
355 245p, as amended by [this act] public act 13-5.

356 (b) The regulations shall provide guidelines for determining until
357 October 1, 2011, the billing relationship between the electric
358 distribution company and electric suppliers, including, but not limited
359 to, the allocation of partial bill payments and late payments between
360 the electric distribution company and the electric supplier. An electric
361 distribution company that provides billing services for an electric
362 supplier shall be entitled to recover from the electric supplier all
363 reasonable transaction costs to provide such billing services as well as
364 a reasonable rate of return, in accordance with the principles in
365 subsection (a) of section 16-19e.

366 Sec. 11. Section 16-245o of the general statutes is repealed and the
367 following is substituted in lieu thereof (*Effective October 1, 2013*):

368 (a) To protect a customer's right to privacy from unwanted
369 solicitation, each electric company or electric distribution company, as
370 the case may be, shall distribute to each customer a form approved by
371 the [Department of Energy and Environmental Protection] Public
372 Utilities Regulatory Authority which the customer shall submit to the
373 customer's electric or electric distribution company in a timely manner
374 if the customer does not want the customer's name, address, telephone
375 number and rate class to be released to electric suppliers. On and after
376 July 1, 1999, each electric or electric distribution company, as the case
377 may be, shall make available to all electric suppliers customer names,
378 addresses, telephone numbers, if known, and rate class, unless the

379 electric company or electric distribution company has received a form
380 from a customer requesting that such information not be released.
381 Additional information about a customer for marketing purposes shall
382 not be released to any electric supplier unless a customer consents to a
383 release by one of the following: (1) An independent third-party
384 telephone verification; (2) receipt of a written confirmation received in
385 the mail from the customer after the customer has received an
386 information package confirming any telephone agreement; (3) the
387 customer signs a document fully explaining the nature and effect of the
388 release; or (4) the customer's consent is obtained through electronic
389 means, including, but not limited to, a computer transaction.

390 (b) All electric suppliers shall have equal access to customer
391 information required to be disclosed under subsection (a) of this
392 section. No electric supplier shall have preferential access to historical
393 distribution company customer usage data.

394 (c) No electric or electric distribution company shall include in any
395 bill or bill insert anything that directly or indirectly promotes a
396 generation entity or affiliate of the electric distribution company. No
397 electric supplier shall include a bill insert in an electric bill of an
398 electric distribution company.

399 (d) All marketing information provided pursuant to the provisions
400 of this section shall be formatted electronically by the electric company
401 or electric distribution company, as the case may be, in a form that is
402 readily usable by standard commercial software packages. Updated
403 lists shall be made available within a reasonable time, as determined
404 by the [department] authority, following a request by an electric
405 supplier. Each electric supplier seeking the information shall pay a fee
406 to the electric company or electric distribution company, as the case
407 may be, which reflects the incremental costs of formatting, sorting and
408 distributing this information, together with related software changes.
409 Customers shall be entitled to any available individual information
410 about their loads or usage at no cost.

411 (e) Each electric supplier shall, prior to the initiation of electric
412 generation services, provide the potential customer with a written
413 notice describing the rates, information on air emissions and resource
414 mix of generation facilities operated by and under long-term contract
415 to the supplier, terms and conditions of the service, and a notice
416 describing the customer's right to cancel the service, as provided in this
417 section. No electric supplier shall provide electric generation services
418 unless the customer has signed a service contract or consents to such
419 services by one of the following: (1) An independent third-party
420 telephone verification; (2) receipt of a written confirmation received in
421 the mail from the customer after the customer has received an
422 information package confirming any telephone agreement; (3) the
423 customer signs a contract that conforms with the provisions of this
424 section; or (4) the customer's consent is obtained through electronic
425 means, including, but not limited to, a computer transaction. Each
426 electric supplier shall provide each customer with a demand of less
427 than one hundred kilowatts, a written contract that conforms with the
428 provisions of this section and maintain records of such signed service
429 contract or consent to service for a period of not less than two years
430 from the date of expiration of such contract, which records shall be
431 provided to the [department] authority or the customer upon request.
432 Each contract for electric generation services shall contain all material
433 terms of the agreement, a clear and conspicuous statement explaining
434 the rates that such customer will be paying, including the
435 circumstances under which the rates may change, a statement that
436 provides specific directions to the customer as to how to compare the
437 price term in the contract to the customer's existing electric generation
438 service charge on the electric bill and how long those rates are
439 guaranteed. Such contract shall also include a clear and conspicuous
440 statement providing the customer's right to cancel such contract not
441 later than three days after signature or receipt in accordance with the
442 provisions of this subsection, describing under what circumstances, if
443 any, the supplier may terminate the contract and describing any
444 penalty for early termination of such contract. Each contract shall be
445 signed by the customer, or otherwise agreed to in accordance with the

446 provisions of this subsection. A customer who has a maximum
447 demand of five hundred kilowatts or less shall, until midnight of the
448 third business day after the latter of the day on which the customer
449 enters into a service agreement or the day on which the customer
450 receives the written contract from the electric supplier as provided in
451 this section, have the right to cancel a contract for electric generation
452 services entered into with an electric supplier.

453 (f) Between thirty and sixty days, inclusive, prior to the expiration of
454 a fixed price term for a residential customer, an electric supplier shall
455 provide a written notice to such customer of any change to the
456 customer's electric generation price.

457 ~~[(f)]~~ (g) (1) Any third-party agent who contracts with or is otherwise
458 compensated by an electric supplier to sell electric generation services
459 shall be a legal agent of the electric supplier. No third-party agent may
460 sell electric generation services on behalf of an electric supplier unless
461 (A) the third-party agent is an employee or independent contractor of
462 such electric supplier, and (B) the third-party agent has received
463 appropriate training directly from such electric supplier.

464 (2) On or after July 1, 2011, all sales and solicitations of electric
465 generation services by an electric supplier, aggregator or agent of an
466 electric supplier or aggregator to a customer with a maximum demand
467 of one hundred kilowatts or less conducted and consummated entirely
468 by mail, door-to-door sale, telephone or other electronic means, during
469 a scheduled appointment at the premises of a customer or at a fair,
470 trade or business show, convention or exposition in addition to
471 complying with the provisions of subsection (e) of this section shall:

472 (A) For any sale or solicitation, including from any person
473 representing such electric supplier, aggregator or agent of an electric
474 supplier or aggregator (i) identify the person and the electric
475 generation services company or companies the person represents; (ii)
476 provide a statement that the person does not represent an electric
477 distribution company; (iii) explain the purpose of the solicitation; and

478 (iv) explain all rates, fees, variable charges and terms and conditions
479 for the services provided; and

480 (B) For door-to-door sales to customers with a maximum demand of
481 one hundred kilowatts, which shall include the sale of electric
482 generation services in which the electric supplier, aggregator or agent
483 of an electric supplier or aggregator solicits the sale and receives the
484 customer's agreement or offer to purchase at a place other than the
485 seller's place of business, be conducted (i) in accordance with any
486 municipal and local ordinances regarding door-to-door solicitations,
487 (ii) between the hours of ten o'clock a.m. and six o'clock p.m. unless the
488 customer schedules an earlier or later appointment, and (iii) with both
489 English and Spanish written materials available. Any representative of
490 an electric supplier, aggregator or agent of an electric supplier or
491 aggregator shall prominently display or wear a photo identification
492 badge stating the name of such person's employer or the electric
493 supplier the person represents.

494 (3) No electric supplier, aggregator or agent of an electric supplier
495 or aggregator shall advertise or disclose the price of electricity to
496 mislead a reasonable person into believing that the electric generation
497 services portion of the bill will be the total bill amount for the delivery
498 of electricity to the customer's location. When advertising or disclosing
499 the price for electricity, the electric supplier, aggregator or agent of an
500 electric supplier or aggregator shall [also] (A) disclose the electric
501 distribution company's current charges, including the competitive
502 transition assessment and the systems benefits charge, for that
503 customer class, and (B) on and after January 1, 2014, indicate, using at
504 least a ten-point font size, in a conspicuous part of any advertisement
505 or disclosure that includes an advertised price, the expiration of such
506 advertised price.

507 (4) No entity, including an aggregator or agent of an electric
508 supplier or aggregator, who sells or offers for sale any electric
509 generation services for or on behalf of an electric supplier, shall engage
510 in any deceptive acts or practices in the marketing, sale or solicitation

511 of electric generation services.

512 (5) Each electric supplier shall disclose to the Public Utilities
513 Regulatory Authority in a standardized format (A) the amount of
514 additional renewable energy credits, if any, such supplier will
515 purchase [beyond] other than required credits, (B) where such
516 additional credits are being sourced from, and (C) the types of
517 renewable energy sources that will be purchased. Each electric
518 supplier shall only advertise renewable energy credits purchased
519 beyond those required pursuant to [section] sections 16-245a and 16-
520 243q and shall report to the authority the renewable energy sources of
521 such credits and [whenever the mix of such sources] any changes to
522 the types of renewable energy sources offered.

523 (6) Any electric supplier offering any services or products that
524 contain renewable energy attributes other than the minimum
525 renewable energy credits used for compliance with the renewable
526 portfolio standards pursuant to section 16-245a shall disclose in each
527 customer contract and marketing materials for each such service or
528 product the renewable energy content of the product or service
529 offering and shall make available, on the electric supplier's Internet
530 web site, information sufficient to substantiate the marketing claims
531 about such content.

532 [(6)] (7) No contract for electric generation services by an electric
533 supplier shall require a residential customer to pay any fee for
534 termination or early cancellation of a contract in excess of (A) one
535 hundred dollars; or (B) twice the estimated bill for energy services for
536 an average month, whichever is less, provided when an electric
537 supplier offers a contract, it provides the residential customer an
538 estimate of such customer's average monthly bill.

539 [(7)] (8) An electric supplier shall not make a material change in the
540 terms or duration of any contract for the provision of electric
541 generation services by an electric supplier without the express consent
542 of the customer. Nothing in this subdivision shall restrict an electric

543 supplier from renewing a contract by clearly informing the customer,
544 in writing, not less than thirty days or more than sixty days before the
545 renewal date, of the renewal terms and of the option not to accept the
546 renewal offer, provided no fee pursuant to subdivision [(6)] (7) of this
547 section shall be charged to a customer who terminates or cancels such
548 renewal not later than seven business days after receiving the first
549 billing statement for the renewed contract.

550 [(8)] (9) Each electric supplier shall file annually with the authority a
551 list of any aggregator or agent working on behalf of such supplier.

552 [(g)] (h) Each electric supplier, aggregator or agent of an electric
553 supplier or aggregator shall comply with the provisions of the
554 telemarketing regulations adopted pursuant to 15 USC 6102.

555 [(h)] (i) Any violation of this section shall be deemed an unfair or
556 deceptive trade practice under subsection (a) of section 42-110b. Any
557 contract for electric generation services that the authority finds to be
558 the product of unfair or deceptive marketing practices or in material
559 violation of the provisions of this section shall be void and
560 unenforceable. Any waiver of the provisions of this section by a
561 customer of electric generation services shall be deemed void and
562 unenforceable by the electric supplier.

563 [(i)] (j) Any violation or failure to comply with any provision of this
564 section shall be subject to (1) civil penalties by the [department]
565 authority in accordance with section 16-41, (2) the suspension or
566 revocation of an electric supplier or aggregator's license, or (3) a
567 prohibition on accepting new customers following a hearing that is
568 conducted as a contested case in accordance with chapter 54.

569 [(j)] (k) The [department] authority may adopt regulations, in
570 accordance with the provisions of chapter 54, to include, but not be
571 limited to, abusive switching practices, solicitations and renewals by
572 electric suppliers.

573 Sec. 12. Subsection (a) of section 16-245y of the general statutes is

574 repealed and the following is substituted in lieu thereof (*Effective from*
575 *passage*):

576 (a) Not later than October 1, 1999, and annually thereafter, each
577 electric company and electric distribution company, as defined in
578 section 16-1, shall report to the Public Utilities Regulatory Authority its
579 system average interruption duration index (SAIDI) and its system
580 average interruption frequency index (SAIFI) for the preceding twelve
581 months. For purposes of this section: (1) Interruptions shall not include
582 outages attributable to major storms, scheduled outages and outages
583 caused by customer equipment, each as determined by the
584 [department] authority; (2) SAIDI shall be calculated as the sum of
585 customer interruptions in the preceding twelve-month period, in
586 minutes, divided by the average number of customers served during
587 that period; and (3) SAIFI shall be calculated as the total number of
588 customers interrupted in the preceding twelve-month period, divided
589 by the average number of customers served during that period. Not
590 later than January 1, 2000, and annually thereafter, the authority shall
591 report on the SAIDI and SAIFI data for each electric company and
592 electric distribution, and all state-wide SAIDI and SAIFI data to the
593 joint standing committee of the General Assembly having cognizance
594 of matters relating to energy.

595 Sec. 13. Subsection (c) of section 16-245y of the general statutes is
596 repealed and the following is substituted in lieu thereof (*Effective from*
597 *passage*):

598 (c) Not later than January 1, 2011, and annually thereafter, the
599 [Department of Energy and Environmental Protection] Public Utilities
600 Regulatory Authority shall report to the joint standing committee of
601 the General Assembly having cognizance of matters relating to energy
602 the number of applicants for licensure pursuant to section 16-245
603 during the preceding twelve months, the number of applicants
604 licensed by the [department] authority and the average period of time
605 taken to process a license application. Any such report may be
606 submitted electronically.

607 Sec. 14. Subsection (c) of section 16-262j of the general statutes is
 608 repealed and the following is substituted in lieu thereof (*Effective*
 609 *October 1, 2013*):

610 (c) Each public service company, certified telecommunications
 611 provider and electric supplier shall pay interest on any security
 612 deposit it receives from a customer at the average rate paid, as of
 613 December 30, 1992, on savings deposits by insured commercial banks
 614 as published in the Federal Reserve Board bulletin and rounded to the
 615 nearest one-tenth of one percentage point, except in no event shall the
 616 rate be less than one and one-half per cent. On and after January 1,
 617 1994, the rate for each calendar year shall be not less than the deposit
 618 index as determined by the Banking Commissioner and defined in
 619 subsection (d) of this section for that year and rounded to the nearest
 620 one-tenth of one percentage point, except in no event shall the rate be
 621 less than one and one-half per cent.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	16-8(b)(1)
Sec. 2	<i>from passage</i>	16-8(b)(5)
Sec. 3	<i>July 1, 2013</i>	16-8a(c) and (d)
Sec. 4	<i>October 1, 2013</i>	16-19(a)
Sec. 5	<i>October 1, 2013</i>	16-19b(h)
Sec. 6	<i>from passage</i>	16-49(a)
Sec. 7	<i>from passage</i>	16-244c(a)(3)
Sec. 8	<i>from passage</i>	16-244c(g)
Sec. 9	<i>from passage</i>	16-244c(j)
Sec. 10	<i>from passage</i>	16-245d
Sec. 11	<i>October 1, 2013</i>	16-245o
Sec. 12	<i>from passage</i>	16-245y(a)
Sec. 13	<i>from passage</i>	16-245y(c)
Sec. 14	<i>October 1, 2013</i>	16-262j(c)

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill requires electric suppliers to notify customers at least three weeks before a rate change becomes effective and establishes disclosure requirements for suppliers offering power generated from certain renewable energy sources. The bill also makes various technical, conforming and administrative changes. The bill has no fiscal impact.

House "A" strikes the underlying bill and its associated fiscal impact, thus becoming the bill. The House "A" fiscal impact is described above.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sHB 6473 (as amended by House "A")***

AN ACT CONCERNING THE PUBLIC UTILITIES REGULATORY AUTHORITY, WHISTLEBLOWER PROTECTION, THE PURCHASED GAS ADJUSTMENT CLAUSE, ELECTRIC SUPPLIER DISCLOSURE REQUIREMENTS, THE CALL BEFORE YOU DIG PROGRAM, AND MINOR AND TECHNICAL CHANGES TO THE UTILITY STATUTES.

SUMMARY:

This bill makes several unrelated changes in the energy statutes. Among other things, it requires electric suppliers to notify residential customers of rate changes 30 to 60 days before their fixed rate term expires. It also establishes disclosure requirements for suppliers offering power generated from certain renewable energy sources.

The bill transfers several regulatory powers from the Department of Energy and Environmental Protection (DEEP) to the Public Utilities Regulatory Authority (PURA), which is within DEEP. It also makes administrative changes to the process by which PURA reviews gas and electric company charges and credits made under the adjustment clauses for purchased gas, energy, and transmission rates.

By law, a utility company cannot threaten or retaliate against an employee who reported the company's malfeasance or illegal activities. Current law allows employees who feel they are being retaliated against to file a complaint with PURA, which must issue a preliminary finding within 30 days. Starting July 1, 2013, the bill extends this deadline from 30 to 90 days. It also expands PURA's enforcement powers to include ordering the company to pay the employee back pay or attorney's fees. Existing law, unchanged by the bill, allows PURA to issue orders and impose civil penalties.

Current law requires utility companies to notify their customers of a

proposed rate amendment by mail at least one week before a public hearing on the amendment. The bill limits how early the notice can be issued to no earlier than six weeks before the first public hearing. It also requires the notice to include (1) the date, time, and location of any scheduled hearing and (2) a statement that customers can appear at the hearing or provide written comments on the proposal to PURA. It allows PURA to hold more than one hearing on a proposed rate amendment.

The bill also makes several minor, technical, and conforming changes.

*House Amendment "A" removes the original bill's provisions regarding (1) the "Call Before You Dig" program; (2) DEEP's Division of Adjudication; and (3) a prohibition on suppliers selling renewable energy from sources other than Class I, II, or III energy sources. It also narrows the circumstances under which an electric supplier must provide advance notice of rate changes. It also makes minor changes.

EFFECTIVE DATE: October 1, 2013, except for the provisions regarding (1) whistleblower protection, which are effective July 1, 2013, and (2) changes to PURA's regulatory power over (a) electric supplier defaults and billing, (b) electric company reliability reports, and (c) management audits and consultants, all of which are effective upon passage.

§11 — ELECTRIC SUPPLIERS

Rate Disclosure

The bill requires an electric supplier to provide its residential customers with written notification of any changes to the customer's electric generation rate 30 to 60 days before the customer's fixed price term expires.

Starting January 1, 2014, when electric suppliers, aggregators, or their agents are advertising or disclosing electricity prices, the bill requires them to indicate the advertised price's expiration terms in at

least a 10-point font size in a conspicuous part of the ad or disclosure.

Renewable Energy Disclosure

The law's renewable portfolio standard (RPS) requires electric suppliers to obtain a certain portion of their power from Class I (e.g., solar or wind), Class II (e.g., certain biomass or trash-to-energy), and Class III (e.g., certain cogeneration or energy conservation) energy sources. Existing law limits electric suppliers' renewable energy advertising to their renewable energy that exceeds the Class I and Class II RPS requirements. The bill extends this advertising limit to include the Class III RPS requirement.

Under the bill, any electric supplier offering any services or products containing renewable energy attributes other than those used to meet the Class I and II RPS requirements must disclose the service's or product's renewable energy content in its customer contracts and marketing materials. The supplier must also make information sufficient to substantiate its renewable energy marketing claims available on its web site.

Regulatory Power Over Suppliers Transferred from DEEP to PURA

Starting October 1, 2013, the bill transfers from DEEP to PURA the authority to:

1. approve the form on which customers can opt out of having their contact and rate class information shared with electric suppliers;
2. determine the reasonable amount of time in which electric companies must provide suppliers with updated customer lists;
3. receive copies of customer contracts and records from suppliers;
4. penalize suppliers that violate the law's restrictions on using customer information, promotional inserts, disclosure requirements, and procedures for entering and terminating

service contracts; and

5. make regulations on suppliers' abusive switching practices, solicitations, and renewals.

§§ 1, 2, 8, 10, 12, & 13 — PURA

Upon the bill's enactment, the bill transfers several regulatory powers from DEEP to PURA. It requires PURA, instead of DEEP, to make regulations on how to notify customers when an electric supplier defaults. It also requires this notice to include the option to return to standard service.

The bill requires PURA, instead of DEEP, to make regulations on (1) the standard billing format for electric service and (2) direct customer billing and collection services from electric suppliers. It extends the deadline for PURA to report on its study of supplier direct billing from February 1, 2012 to October 1, 2013 and allows PURA to submit the report to the Energy and Technology Committee electronically.

It also requires PURA, instead of DEEP, to (1) determine what storms and scheduled outages are not included in electric company reliability reports and (2) prepare an annual report on electric supplier licenses. It allows PURA to submit this report to the Energy and Technology Committee electronically.

Current law allows PURA to hire, within available appropriations, consultants to perform management audits on the utility companies it regulates. However, funding for the audits comes from an assessment on regulated utilities, not legislative appropriations. The bill removes the available appropriations limit and allows PURA to electronically submit its annual report on the audits to the General Assembly.

§ 5 — ADJUSTMENT CLAUSE REVIEW

By law, PURA can approve an energy adjustment clause for electric companies and a purchased gas adjustment clause for gas companies. These clauses adjust rates for such things as changes in the cost of purchased power and natural gas. They can include a provision

allowing an electric or gas company to charge or reimburse customers for over- or under-recovery of its overhead or fixed costs due solely to actual sales varying from projected sales.

Current law requires PURA to hold a public hearing once every six months to determine if the charges or credits made under the adjustment clauses reflect actual prices. The bill decreases the hearing frequency to once every year, but requires PURA to hold a hearing upon the Office of Consumer Counsel’s application. Under existing law, unchanged by the bill, PURA can also hold such a hearing whenever it deems it necessary.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 23 Nay 0 (03/21/2013)

Finance, Revenue and Bonding Committee

Joint Favorable

Yea 50 Nay 0 (05/01/2013)

Judiciary Committee

Joint Favorable

Yea 35 Nay 0 (05/14/2013)