

Finance, Revenue & Bonding Committee

March 4, 2013

Testimony opposing Section 19 of Senate Bill 843:

AN ACT CONCERNING REVENUE ITEMS TO IMPLEMENT THE GOVERNOR'S BUDGET

By Byron Peterson

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Honorable Chairs, leadership and members of the Finance, Revenue and Bonding Committee, my name is Byron Peterson and I live in Shelton Connecticut. Thank you for the opportunity to testify before you today in opposition to Section 19 of Senate Bill 843, AN ACT CONCERNING REVENUE ITEMS TO IMPLEMENT THE GOVERNOR'S BUDGET. Section 19 is the provision of the Governor's State Budget that would create an energy auction, whereby existing UI and CL&P customers would be aggregated and sold to the highest bidder. In essence, the proposal would force about 800,000 customers, like me, into the competitive retail supply market, without our consent.

I've been a customer of UI for more than 30 years because it always was, and remains, a reliable service provider. In 2012, in an effort to save money, I elected to switch to another supplier who offered a lower price per kilowatt hour. After an initial reduction of cost, I noticed that my electric bill equaled and then exceeded what I had been paying with UI, while my usage had not increased. In January and February of 2013 my per kilowatt cost exceeded what UI was charging. When I inquired with my supplier about this change in price I was told that I had gotten a "promotional" rate initially and then after a short period of time, 60 or 90 days, my service cost switched to a monthly variable rate that could change monthly.

The variable per kilowatt cost, during the January/February billing period, was over 35% higher than the UI rate. Not only did UI have a lower rate, but it was fixed until December 2013. Needless to say, I switched back to UI and plan to stay with them.

As an informed consumer, I have made my choice to stay with UI's Standard Offer and I am strongly opposed to the state's effort to take away my choice, even with the promise of a short-term rate reduction.

For people like me, Standard Offer through UI or CL&P offers reliable service and an economical rate without having to constantly compare costs, switch providers and play games with short-term and variable rates. I'm far too busy and engaged in my community, volunteering with AARP CT and other organizations, to want to spend that much time and energy analyzing my electric bill each month. Like I said, I tried playing the market and was unhappy with the results. Please don't force me and thousands of customers like me into it again.

Thank you again for your time today and the opportunity to share my concerns with you.