

**Testimony of Tom Swan, Executive Director, CT Citizen Action Group (CAG)**

**February 20, 2014**

**Before the Energy and Technology Committee**

**On SB2 and opposed to SB 110**

Good Afternoon, Representative Reed, Senator Duff and other members of the Energy and Technology Committee; my name is Tom Swan and I am testifying on behalf of over 20,000 member families of CCAG: CT Citizen Action Group. I want to thank you for having the hearing today. I am here today to express our opinion that SB 2 AAC Electric Customer Consumer Protection is a start and to offer some ideas on how it needs to be improved and make clear our opposition to SB 110 AAC supposed Fraud Prevention in CT Utility Termination Programs.

In terms of SB 2, I will not get into details on the need for greater protections because I believe it is clear that we need much stronger protections. Areas for action include:

- More stringent licensing requirements including lifting the cap on the bond or security interest requirement to cover possible customer restitution and that PURA is given 90 days to issue stronger licensing requirements.
- Greater monitoring and enforcement by PURA over retailers including clear marketing standards, the ability to reject, suspend, and rescind licenses; the obligation to order suppliers to provide restitution to customers when deemed just, the duty to place an injunction on questionable marketing practices pending the resolution of any investigation, the obligation to access civil penalties and to refer potential criminal activities, and the authority to access fees and levy fines that will cover any increased costs in education, supervision and enforcement PURA may incur.
- SB 2 takes potentially some good steps in terms of disclosure, but there needs to be an even clearer standard for people to be able to compare costs and to understand what they may be signing up for. The Truth in Lending Act should serve as a floor for a model of what we should look to include by PURA and by retailers.
- People who receive energy assistance should not be able to leave the standard offer unless they are guaranteed to save money. In addition, early termination fees should be limited to \$50.
- PURA needs to develop stringent guidelines and enforcement mechanisms for companies that use phone and door to door marketers including training, transparency, complaint procedures, monitoring, and acceptable marketing practices.

In closing I was to express CCAG's strong opposition to SB 110. This is not a solution to a problem – if enacted it would be nothing more than a corporate give away at the expense of vulnerable utility customers. The current system is working fine and should be left alone.

Thank you for your time.