



February 20, 2014 Public Hearing Testimony before the Connecticut General Assembly Energy and Technology Committee

Fraud Prevention in Connecticut's Utility Termination Protection Programs

Distinguished Chairpersons, Vice-Chairpersons, Ranking Members, and Members, my name is Joanne Balaschak and I serve as Director of Energy Services at New Opportunities, Inc. **I am here today to express our concern regarding S.B. 110, An Act Concerning Fraud Prevention in Connecticut's Utility Termination Protection Programs.**

I am also here representing the Connecticut Association for Community Action, Inc. (CAFCA). CAFCA is the state association for Connecticut's eleven (11) Community Action Agencies (CAAs), the state and federally-designated, anti-poverty agencies empowering people in need and improving the communities in which they live. Our network serves all 169 cities and towns and utilizes a Results Based Accountability (RBA) framework to report our outcomes. We collaborate across silos with state government and other nonprofit providers and businesses to help families avoid prolonged crisis. We administer a variety of programs to reach families as an early intervention strategy, and serve more than 360,000 people annually across the state.

As you may know, CAAs are responsible for administering the federal Low Income Heating Assistance Program (LIHEAP). Thousands of low-income families come to our agencies' doors each year to apply for the help they need to stay warm throughout the winter months. In the 2012-2013 season, over 100,000 families were deemed eligible for energy assistance. We understand that the intent of S.B. 110 is to enhance the identification and termination of fraud among those who receive energy assistance; however, its approach does more harm than good. Instead, this bill makes it easier for utility companies to terminate service to hundreds, maybe thousands, of customers who are seriously ill or have a life-threatening condition.

By redefining "seriously ill" the bill's language to mean that an illness is not serious unless it is life-threatening is extremely detrimental to an already vulnerable population. What's more, to make it necessary for customers considered to have a life-threatening illness be interrogated by a utility representative to verify what a physician has already verified is very unnerving. Will this interrogation be for all customers with a medical hardship or will the selection be based on amounts owed? Our network finds this process very questionable and disturbing for someone who is already living with a serious/life threatening illness.

In addition, proposed changes in this bill make the application process for hardship relief more complex. It removes deprivation of food and necessities as a basis for a determination of financial hardship—yet another way to keep families from surviving the bitter cold. It also imposes an asset test for relief on those battling a serious illness. Under existing law, a determination that a customer is seriously ill does not automatically prevent shutoff. Instead, the applicant must agree to and comply with a reasonable amortization agreement to prevent the shutoff.

All of these proposed changes will have a serious, negative impact on low-income families and families in medical or financial crisis across the state. In times of great economic stress and struggle, Connecticut's low-income families deserve continued support and assistance—not another closed door on their fight for survival and growth.

Thank you for your time and consideration. We look forward to working with you to even more effectively support Connecticut's residents as they continue to face economic challenges in this great state.