



Town of Wallingford, Connecticut

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Senator Duff
Representative Reed
Senator Chapin
Representative Hoydick
Esteemed Members of the Energy & Technology Committee

Re: Senate Bill 110: An Act Concerning Fraud Prevention in Connecticut's Utility Termination Protection Programs

Wallingford Electric Division (WED) supports Senate Bill 110 as a means to achieve needed reforms in the statutes governing utility termination protection programs for seriously ill and life-threatening situations ("SILTS").

First, it is important to note that WED believes the title of the bill is a misnomer in that it suggests that there is fraudulent activity occurring in the SILTS program. WED has no evidence that there is any fraud taking place in its service territory at this time. WED's concern is that the current law allows customers, who have the means to pay their electric bills, to avoid payment. These non-paying customers would be within the bounds of the law as written, and so would not be engaged in fraudulent activities.

The bill makes three important changes:

1. It defines "seriously ill" and "life-threatening situations" as those where electricity is needed to sustain a household member's life.
2. It adds an income requirement to qualify for non-payment shut off protection under the law.
3. It allows utilities to request an investigation by the Public Utilities Regulatory Authority (PURA) and, with a finding that the conditions for eligibility are not met, the utility may be authorized to shut off the customer for non-payment.

The current law includes no definition of "seriously ill" or "life-threatening situation." This puts the physician, or APRN, and the utility in the circumstance of authorizing non-payment where there is no nexus between the health condition and the need for electric (or gas) service. The bill clarifies that continuing utility service, even if not paid for, is necessary to operate needed life-sustaining equipment or that the lack of service would endanger the customer's life. All customers affected by the processes described in SB 110 would continue to enjoy protection from shutoff due to non-payment during the winter months; nothing in SB 110 would affect this winter moratorium.

As the law currently is written, a requirement to qualify for non-payment shut off protection is not reserved for only those customers with a demonstrated inability to pay their energy bills. In practice, this means that all other ratepayers - including those of limited means that struggle to pay their own bills - ultimately pay for the electric service to SILTS customers who have adequate resources to pay their individual electric bills. This cost shift is fundamentally unfair in cases where there is no true financial hardship.

Finally, the bill allows the utility to appeal to PURA to objectively review the documentation required under items 1 and 2 above. Where the requirements are not met, PURA may authorize the utility to demand payment and if payment is not made, the utility may shut off service.

In closing, WED supports the SILTS protections for cases where there is truly a need for continued utility service to sustain the health and well-being of such customers who cannot pay. WED also has an obligation to ensure the fairness of the cost of utility service to all customers in its service territory. WED believes that the changes suggested in SB 110 will strike a healthy balance between these fundamental interests.

Thank you.

Sincerely,



Richard A. Hendershot
General Manager

RAH/mhd

cc: George Adair