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Offered by:

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REP. FAWCETT, 133rd Dist.
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REP. ORANGE, 48th Dist.
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REP. WILLIS, 64th Dist.
REP. ZONI, 81st Dist.

To: Subst. Senate Bill No. 2

File No. 639

Cal. No. 481

(As Amended by Senate Amendment Schedule "A")

"AN ACT CONCERNING ELECTRIC CUSTOMER CONSUMER PROTECTION AND CLARIFYING THE PROPERTY TAX EXEMPTION FOR CERTAIN SOLAR THERMAL OR GEOTHERMAL RENEWABLE ENERGY SOURCES."

1 Strike subdivisions (3) and (4) of subsection (a) of section 1 in their
2 entirety and insert the following in lieu thereof:

3 "[1] (3) An electric supplier that chooses to provide billing and
4 collection services shall, in accordance with the billing format
5 developed by the authority, include the following information in each

6 customer's bill: (A) The total amount owed by the customer, which
7 shall be itemized to show (i) the electric generation services component
8 and any additional charges imposed by the electric supplier, and (ii)
9 federally mandated congestion charges applicable to the generation
10 services; (B) any unpaid amounts from previous bills, which shall be
11 listed separately from current charges; (C) the rate and usage for the
12 current month, and if such rate is variable and differs from the prior
13 billing period, the methodology defining how the new rate was
14 calculated and any cap applicable to such rate, and the rate and usage
15 for each of the previous twelve months in bar graph form or other
16 visual format; (D) the payment due date; (E) the interest rate applicable
17 to any unpaid amount; (F) the toll-free telephone number of the Public
18 Utilities Regulatory Authority for questions or complaints; and (G) the
19 toll-free telephone number and address of the electric supplier. On or
20 before October 1, 2013, the authority shall conduct a review of the costs
21 and benefits of suppliers billing for all components of electric service,
22 and report, in accordance with the provisions of section 11-4a, to the
23 joint standing committee of the General Assembly having cognizance
24 of matters relating to energy regarding the results of such review. Any
25 such report may be submitted electronically.

26 [(2)] (4) An electric distribution company shall, in accordance with
27 the billing format developed by the authority, include the following
28 information in each customer's bill: (A) The total amount owed by the
29 customer, which shall be itemized to show, (i) the electric generation
30 services component if the customer obtains standard service or last
31 resort service from the electric distribution company, (ii) the
32 distribution charge, including all applicable taxes and the systems
33 benefits charge, as provided in section 16-245l, (iii) the transmission
34 rate as adjusted pursuant to subsection (d) of section 16-19b, (iv) the
35 competitive transition assessment, as provided in section 16-245g, (v)
36 federally mandated congestion charges, and (vi) the conservation and
37 renewable energy charge, consisting of the conservation and load
38 management program charge, as provided in section 16-245m, and the
39 renewable energy investment charge, as provided in section 16-245n;

40 (B) any unpaid amounts from previous bills which shall be listed
41 separately from current charges; (C) except for customers subject to a
42 demand charge, the rate and usage for the current month, and if such
43 rate is variable and differs from the prior billing period, the
44 methodology defining how the new rate was calculated and any cap
45 applicable to such rate, and the rate and usage for each of the previous
46 twelve months in the form of a bar graph or other visual form; (D) the
47 payment due date; (E) the interest rate applicable to any unpaid
48 amount; (F) the toll-free telephone number of the electric distribution
49 company to report power losses; (G) the toll-free telephone number of
50 the Public Utilities Regulatory Authority for questions or complaints;
51 and (H) if a customer has a demand of five hundred kilowatts or less
52 during the preceding twelve months, a statement about the availability
53 of information concerning electric suppliers pursuant to section 16-
54 245p."

55 Strike subsection (d) of section 1 in its entirety and insert the
56 following in lieu thereof:

57 "(d) From the effective date of this section, and until one year after
58 the effective date of this section, inclusive, each electric supplier shall,
59 on a quarterly basis, include the following items in a mailing to each
60 residential customer receiving electric generation service from such
61 supplier: (1) The electric generation service rate; (2) the term and
62 expiration date of such rate; (3) any change to such rate effective for
63 the next billing cycle; (4) the cancellation fee, if applicable, provided
64 there is such a change; (5) notification that such rate is variable, if
65 applicable, how any new rate charge is calculated, when it is applied
66 to the customer and any cap applicable to such rate; (6) the standard
67 service rate; (7) the term and expiration date of the standard service
68 rate; and (8) the dollar amount that would have been billed for the
69 electric generation services component had the customer been
70 receiving standard service."

71 Strike section 2 in its entirety and insert the following in lieu thereof:

72 "Sec. 2. Subsection (g) of section 16-245 of the 2014 supplement to
73 the general statutes is repealed and the following is substituted in lieu
74 thereof (*Effective July 1, 2014*):

75 (g) As conditions of continued licensure, in addition to the
76 requirements of subsection (c) of this section: (1) The licensee shall
77 comply with the National Labor Relations Act and regulations, if
78 applicable; (2) the licensee shall comply with the Connecticut Unfair
79 Trade Practices Act and applicable regulations; (3) each generating
80 facility operated by or under long-term contract to the licensee shall
81 comply with regulations adopted by the Commissioner of Energy and
82 Environmental Protection, pursuant to section 22a-174j; (4) the licensee
83 shall comply with the portfolio standards, pursuant to section 16-245a;
84 (5) the licensee shall be a member of the New England Power Pool or
85 its successor or have a contractual relationship with one or more
86 entities who are members of the New England Power Pool or its
87 successor and the licensee shall comply with the rules of the regional
88 independent system operator and standards and any other reliability
89 guidelines of the regional independent systems operator; (6) the
90 licensee shall agree to cooperate with the authority and other electric
91 suppliers in the event of an emergency condition that may jeopardize
92 the safety and reliability of electric service; (7) the licensee shall comply
93 with the code of conduct established pursuant to section 16-244h; (8)
94 for a license to a participating municipal electric utility, the licensee
95 shall provide open and nondiscriminatory access to its distribution
96 facilities to other licensed electric suppliers; (9) the licensee or the
97 entity or entities with whom the licensee has a contractual relationship
98 to purchase power shall be in compliance with all applicable licensing
99 requirements of the Federal Energy Regulatory Commission; (10) each
100 generating facility operated by or under long-term contract to the
101 licensee shall be in compliance with chapter 277a and state
102 environmental laws and regulations; (11) the licensee shall comply
103 with the renewable portfolio standards established in section 16-245a;
104 (12) the licensee shall offer a time-of-use price option to customers.
105 Such option shall include a two-part price that is designed to achieve

106 an overall minimization of customer bills by encouraging the
107 reduction of consumption during the most energy intense hours of the
108 day. The licensee shall file its time-of-use rates with the Public Utilities
109 Regulatory Authority; [and] (13) the licensee shall acknowledge that it
110 is subject to chapters 208, 212, 212a and 219, as applicable, and the
111 licensee shall pay all taxes it is subject to in this state; (14) the licensee
112 shall make available to the authority for posting on the authority's
113 Internet web site and shall list on the licensee's own Internet web site,
114 on a monthly basis, the highest and lowest electric generation service
115 rate charged by the licensee as part of a variable rate offer in each of
116 the preceding twelve months to any customer eligible for standard
117 service, how any new variable rate charge is calculated, when it is
118 applied to the customer and any cap applicable to such rate; and (15)
119 any contract between a licensee and a residential customer eligible for
120 standard service entered into on and after the effective date of this
121 section shall provide for the same electric generation service rate that
122 may not be exceeded for at least the first three billing cycles of the
123 contract, provided the licensee may decrease such rate at any time.
124 Also as a condition of licensure, the authority shall prohibit each
125 licensee from declining to provide service to customers for the reason
126 that the customers are located in economically distressed areas. The
127 authority may establish additional reasonable conditions to assure that
128 all retail customers will continue to have access to electric generation
129 services."

130 Strike subsection (e) of section 4 in its entirety and insert the
131 following in lieu thereof:

132 "(e) On or before January 1, 2015, the Public Utilities Regulatory
133 Authority shall initiate a contested proceeding to develop a standard
134 summary form of the material terms and conditions of the contract for
135 electric generation services signed by a residential customer. Such
136 form shall include, but not be limited to, the following: (1) A
137 description of the rate the customer will be paying; (2) whether such
138 rate is a fixed or variable rate, and if the rate is variable, the

139 methodology defining how any new rate charge is calculated, when it
140 is applied to the customer and any cap applicable to such rate; (3) the
141 term and expiration date of such rate; (4) whether the contract will
142 automatically renew; (5) a notice describing the customer's right to
143 cancel the service, as provided in this section; (6) information on air
144 emissions and resource mix of generation facilities operated by and
145 under long-term contract to the electric supplier; (7) the trade name of
146 the electric supplier; (8) the toll-free telephone number for customer
147 service of the electric supplier; (9) the Internet web site of the electric
148 supplier; and (10) the toll-free telephone number of the Public Utilities
149 Regulatory Authority for questions or complaints."

150 Strike subsection (f) of section 4 in its entirety and insert the
151 following in lieu thereof:

152 "[~~(e) Each~~] (f) (1) Until January 1, 2015, each electric supplier shall,
153 prior to the initiation of electric generation services, provide the
154 potential residential customer with a written notice describing the
155 rates, and if such rate is variable, the methodology defining how any
156 new rate charge is calculated, when it is applied to the customer and
157 any cap applicable to such rate, information on air emissions and
158 resource mix of generation facilities operated by and under long-term
159 contract to the supplier, terms and conditions of the service, and a
160 notice describing the customer's right to cancel the service, as provided
161 in this section. On and after January 1, 2015, each electric supplier
162 shall, prior to initiation of electric generation services, provide the
163 potential residential customer with a completed summary form
164 developed pursuant to subsection (e) of this section. Each electric
165 supplier shall, prior to the initiation of electric generation services,
166 provide the potential commercial or industrial customer with a written
167 notice describing the rates, information on air emissions and resource
168 mix of generation facilities operated by and under long-term contract
169 to the supplier, terms and conditions of the service, and a notice
170 describing the customer's right to cancel the service, as provided in this
171 section.

172 (2) No electric supplier shall provide electric generation services
173 unless the customer has signed a service contract or consents to such
174 services by one of the following: [(1)] (A) An independent third-party
175 telephone verification; [(2)] (B) receipt of a written confirmation
176 received in the mail from the customer after the customer has received
177 an information package confirming any telephone agreement; [(3)] (C)
178 the customer signs a contract that conforms with the provisions of this
179 section; or [(4)] (D) the customer's consent is obtained through
180 electronic means, including, but not limited to, a computer transaction.
181 Each electric supplier shall provide each customer with a demand of
182 less than one hundred kilowatts, a written contract that conforms with
183 the provisions of this section and maintain records of such signed
184 service contract or consent to service for a period of not less than two
185 years from the date of expiration of such contract, which records shall
186 be provided to the authority or the customer upon request. Each
187 contract for electric generation services shall contain all material terms
188 of the agreement, a clear and conspicuous statement explaining the
189 rates that such customer will be paying, including the circumstances
190 under which the rates may change, a statement that provides specific
191 directions to the customer as to how to compare the price term in the
192 contract to the customer's existing electric generation service charge on
193 the electric bill and how long those rates are guaranteed. Such contract
194 shall also include a clear and conspicuous statement providing the
195 customer's right to cancel such contract not later than three days after
196 signature or receipt in accordance with the provisions of this
197 subsection, describing under what circumstances, if any, the supplier
198 may terminate the contract and describing any penalty for early
199 termination of such contract. Each contract shall be signed by the
200 customer, or otherwise agreed to in accordance with the provisions of
201 this subsection. A customer who has a maximum demand of five
202 hundred kilowatts or less shall, until midnight of the third business
203 day after the latter of the day on which the customer enters into a
204 service agreement or the day on which the customer receives the
205 written contract from the electric supplier as provided in this section,
206 have the right to cancel a contract for electric generation services

207 entered into with an electric supplier."

208 Strike subdivisions (2) and (3) of subsection (g) of section 4 in their
209 entirety and substitute the following in lieu thereof:

210 "(2) No electric supplier shall charge a residential customer variable
211 rates for electric generation services following the expiration of a
212 contract with such customer unless the customer enters a new service
213 contract signed or verified through third-party verification as
214 described in subdivision (2) of subsection (f) of this section. An electric
215 supplier may charge a residential customer on a month-to-month basis
216 for electric generation services following the expiration of a contract at
217 the lowest fixed rate such supplier charges its residential customers.
218 An electric supplier shall provide written notification to such
219 residential customer forty-five days prior to the commencement of
220 such month-to-month service indicating it will charge the customer at
221 the lowest fixed rate it charges its residential customers on a month-to-
222 month basis unless such customer enters into a new service contract
223 with such supplier or another electric supplier or purchases electric
224 generation service through standard service. The residential customer
225 shall select the method of written notification at the time the contract is
226 signed or verified through third-party verification as described in
227 subdivision (2) of subsection (f) of this section. Such selection shall
228 include the option for written notice through the United States Postal
229 Service, electronic mail, text messages, an application on a cellular
230 telephone or a third-party notification service approved by the
231 authority. Such customer shall have the option to change the method
232 of notification at any time.

233 (3) No electric supplier shall charge an electric generation service
234 rate to a residential customer that is more than (A) the original contract
235 price, or (B) the last rate notification provided by the electric supplier,
236 without disclosing the rate change described in subparagraph (A) or
237 (B) of this subdivision between thirty and sixty days, inclusive, before
238 it takes effect. Such notification shall also include the calculation
239 methodology used to determine the rate increase, and the amount of

240 the cap on the variable rate set by the electric supplier, if any, which
241 may be charged to that customer during the contract period or for a
242 one-year period, whichever is greater. The notification shall be
243 provided pursuant to the method agreed to by the customer in the
244 contract and may include written notice through the United States
245 Postal Service, electronic mail, text message, an application on a
246 cellular telephone or third-party notification service approved by the
247 authority."

248 Strike subdivision (7) of subsection (h) of section 4 in its entirety and
249 substitute the following in lieu thereof:

250 "(7) No contract for electric generation services by an electric
251 supplier shall require a residential customer to pay any fee for
252 termination or early cancellation of a contract."

253 After subsection (c) of section 6, insert the following:

254 "(d) An aggrieved person may request an administrative hearing
255 before the Public Utilities Regulatory Authority regarding the action of
256 an electric supplier. Such person may make application for such
257 hearing, in writing, over his or her signature to the authority and shall
258 state in simple language the reasons why he or she claims to be
259 aggrieved. The authority shall hold an administrative hearing not later
260 than sixty days after receipt thereof and shall, at least ten days prior to
261 the date of such hearing, mail a notice providing the electric supplier
262 whose actions are complained of with a copy of the hearing request
263 and providing such electric supplier and such aggrieved person with
264 the date, time and place of such hearing. The authority shall have
265 power to administer oaths and take testimony under oath relative to
266 the matter of the hearing and may subpoena witnesses and require the
267 production of records, papers and documents pertinent to such
268 hearing. If any person disobeys such process or, having appeared in
269 obedience thereto, refuses to answer any pertinent question put to him
270 by the authority or to produce any records and papers pursuant
271 thereto, the authority may apply to the superior court, setting forth

272 such disobedience to process or refusal to answer, and said court or
273 such judge shall cite such person to appear before said court or such
274 judge to answer such question or to produce such records and papers
275 and, upon his refusal to do so, shall commit such person to a
276 community correctional center until he or she testifies, but not for a
277 longer period than sixty days. Notwithstanding the serving of the term
278 of such commitment by any person, the authority may proceed with
279 such inquiry and examination as if the witness had not previously
280 been called upon to testify. Officers who serve subpoenas issued by the
281 authority and witnesses attending hearings conducted by the authority
282 under this subsection shall receive like fees and compensation as
283 officers and witnesses in the courts of this state to be paid on vouchers
284 of the commissioner on order of the Comptroller. The authority shall
285 render a final decision based upon all the evidence introduced before it
286 and applying all pertinent provisions of law, regulations and policy.
287 The authority may order corrective action be undertaken by the
288 electric supplier and restitution be made to the aggrieved person.
289 Notice of such final decision shall be given to the electric supplier and
290 aggrieved person by mailing each a copy thereof not later than one
291 business day after its rendition. The applicant for such hearing, if
292 aggrieved, may appeal therefrom in accordance with section 4-183."

293 After the last section, add the following and renumber sections and
294 internal references accordingly:

295 "Sec. 501. (NEW) (*Effective from passage*) (a) The kilowatt-hour rate
296 charged to a residential or small commercial customer under a contract
297 for a variable rate product, other than an index-based product, may
298 not be increased by more than thirty per cent of the kilowatt-hour rate
299 charged during the preceding billing cycle. An electric generation
300 supplier may voluntarily implement a lower cap.

301 (b) The rate contained on a customer bill for electric generation
302 service provided by an electric supplier shall reflect the average
303 kilowatt-hour rate for the applicable billing cycle. This section shall not
304 apply to time-of-use rates or real-time pricing products."

This act shall take effect as follows and shall amend the following sections:		
Sec. 2	<i>July 1, 2014</i>	16-245(g)
Sec. 501	<i>from passage</i>	New section