



The Energy and Technology Committee

Public Hearing, February 24, 2015

Testimony of

Consumer Counsel Elin Swanson Katz

Presented by Consumer Counsel Elin Swanson Katz

Proposed S.B. 570, *An Act Concerning Electric Savings and Fixed Bill Fees*

Proposed S.B. 574, *An Act Concerning Electric Distribution Company Rates and Charges*

Proposed H.B. 5281, *An Act Capping the Fixed Customer Charge for the Residential Customers of Electric Distribution Companies*

Proposed H.B. 5402, *An Act Limiting the Fixed Customer Charge for Residential Customers of Electric Distribution Companies*

Proposed H.B. 6014, *An Act Concerning Electric Distribution Companies' Residential Fixed Customer Charge*

Proposed H.B. 6029, *An Act Concerning Electric Distribution Company Fees*

Consumer Counsel Elin Swanson Katz and the Office of Consumer Counsel (collectively "OCC") support the intent of these bills generally, and, more specifically, supports a ten dollar cap on the residential fixed customer distribution charge. As OCC stated in its testimony in the most recent rate case of The Connecticut Light and Power Company ("CL&P"), disproportionately increasing fixed customer charges reduces the amount of control customers have over their own bill, thereby also reducing the incentive for customers to engage in the energy efficiency measures the state has worked hard to promote. High fixed charges also have a negative impact on low use customers, who are also often limited income customers or those on a fixed

income.

As a possible alternative to legislating a specific dollar amount for the residential fixed customer charge, language could be developed that legislates the categories of costs that are permitted to be recovered in a fixed customer charge. Cost recovery in the residential fixed customer charge could be limited to costs specific to each customer, such as the average meter costs, service line costs, and meter reading and billing costs. If costs recovered within the fixed charge were limited in that manner, OCC estimates that the current fixed charge for CL&P residential customers would be in the neighborhood of \$11.50.