



Senate

General Assembly

File No. 549

January Session, 2015

Substitute Senate Bill No. 573

Senate, April 8, 2015

The Committee on Energy and Technology reported through SEN. DOYLE of the 9th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING VARIABLE ELECTRIC RATES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (g) of section 16-245o of the general statutes is
2 amended by adding subdivision (4) as follows (*Effective October 1,*
3 *2015*):

4 (NEW) (4) On and after October 1, 2015, no electric supplier shall
5 (A) enter into a contract to charge a residential customer a variable rate
6 for electric generation services; or (B) automatically renew or cause to
7 be automatically renewed a contract with a residential customer and,
8 pursuant to such contract, charge such customer a variable rate for
9 electric generation services.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2015</i>	16-245o(g)
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ET *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill, which prevents electric suppliers from entering into or automatically renewing a contract to charge a residential customer a variable rate for electric generation services, has no fiscal impact.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sSB 573*****AN ACT CONCERNING VARIABLE ELECTRIC RATES.*****SUMMARY:**

This bill prohibits retail electric suppliers from (1) entering into variable rate contracts for residential electric generation services or (2) automatically renewing such contracts or causing them to be renewed.

The law, unchanged by the bill, allows suppliers to charge residential customers month-to-month variable rates after their contract expires if they meet certain notice requirements. Suppliers cannot charge such customers a termination or early cancellation fee. Customers who want to switch from the supplier to their electric distribution company's standard service offer must be transferred within 72 hours (CGS §§ 16-245o & 16-244c).

EFFECTIVE DATE: October 1, 2015

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 21 Nay 2 (03/24/2015)