Good morning, everybody. Welcome to today's public hearing. I want to convene us to order. Before we get into public testimony, any remarks from Co-Chair, ranking members? No? Okay. So the first hour will be reserved for public officials and then after that we will bounce back and forth between public officials list and members of the public. So first on my list of public officials is Senator Bob Duff. Is he here? We will circle back. Chairwoman Gillett, here. You're up.

MARISSA GILLETT: Good morning. My name is Marissa Gillett, and I'm the Chairman of the Public Utilities Regulatory Authority and it is a pleasure to be here before you today. Thank you for having me, Representative Arconti, Senator Needleman, Representative Ferraro and all the members of the Committee. It is a pleasure to appear before you. I was appointed at the end of April last year, so I did not have the pleasure of appearing before you.
last session so this is my first venture before you. We'll call it an adventure.

We are here to testify on seven Bills we submitted written testimony on. I will speak to five of them in my testimony. I'm also joined today by our new Director of Legislation, Terry Maconer, my Advisor Josh Ryer and our new General Council Scott Moesta [phonetic] who are sitting behind me. We are here to answer any questions that you have this morning or in the months to come.

So as many of you know, in October 2019 PURA began its equitable modern grid preceding which we felt took the direction that this Committee has previously articulated and the General Assembly's direction to ensure that Connecticut is a leader on climate and energy. Specifically the grid modernization effort that we identified -- that we launched identified four objectives that we feel this body has made clear that PURA should be pursuing. Growing Connecticut's green economy, enabling a cost effective economy while transition to a decarbonized future, providing a more resilient reliable and secure commodity and advancing energy affordability in the state.

Energy affordability I just want to take a moment to address specifically because I think it is at the root of one of the Bills that you are going to be hearing testimony on today. Energy affordability is something is something that I and my colleagues at PURA have launched a pretty detailed preceding on and it is -- it doesn't necessarily mean that we are going to be able to make energy in the state cheaper; we are going to try. But it does mean that we are focused on providing greater value for
everyone and assistance for those who need it. So we're working on that and our good modernization preceding this far.

While I'm going to touch five of the Bills that more directly related to PURA jurisdictional matters in my testimony I just want to start -- or I just want to take a moment to commend our colleagues from DEEP and the Green Bank who have several Bills that they will be addressing with you this morning. PURA supports the Bills that will be speaking to at the 179 HB 5228 and DEEP's agency Bills which we understand are SB 177 and HB 5226 and SB 178. We believe that those packages of Bills that DEEP and the Green Bank will be speaking to you later today all have important roles to play in advancing the state's clean and green energy goals.

So the first Bill that I wanted to address, I'm going to take them in order that they appear on your agenda and I'm happy to be interrupted with questions at any time. If you don't know me yet, I have 3-year-old twins and they interrupt me at least every five seconds [laughing] so I'm happy to be interrupted by you fine people.

So the first Bill is HB 5227, which is entitled AN ACT CONCERNING DISTRIBUTED ENERGY RESOURCES, SYSTEM IMPROVEMENTS. Unfortunately as drafted PURA's currently in a position of opposing this Bill as we've articulated in our comments. We have provided several amendments or alternative language in our testimony that we feel clarifies the role that PURA and DEEP play in this process. With adoption of those amendments we would be much more comfortable supporting the language that is put forward there.
There's also a second section to that Bill entitled Renewable Natural Gas. I understand that that's going to be taken up in full in a Bill that you will be seeing next week, HB 5350 so I'm happy to reserve our comments on why we oppose that section as drafted until next week. But as you told in the testimony, our concerns surround the cost recovery and standard of review of section. So before I transition away from that Bill, are there any questions that you have regarding HB 5227? Yes, ma'am?

REP. CHEESEMAN (37TH): Testimony, I haven't seen your testimony online. Maybe I'm looking in the wrong place.

REP. ARCONTI (109TH): Yeah, I'm double -- yeah, I'm double checking on it now. I apologize.

REP. CHEESEMAN (37TH): All right. Technical issue, not your problem. [Laughing] Thank you so much. Just -- would you mind going through again what your specific objections are to that?

MARISSA GILLETT: Yes, ma'am. Thank you for the question. So the language speaks to Bill on Public Act 15-5, which this Committee addressed several years ago and attempts to provide some procedural flexibility so that the process outlined there can be done either concurrently or jointly rather than in a sequential two-step process as it is drafted now. Language that we had worked with our sister agency on in advance of this session we thought provided assurances that PURA remains the final arbiter of the decision, which is how essentially everything dealing with energy policy is positioned in this state, where it comes to PURA as the final decision-maker.
So we have asked that language that was in the original 15-5 be reinstated that clarified that whether the decision -- whether the case was heard concurrently or jointly, the final decision is approved by PURA.

REP. CHEESEMAN (37TH): And your sister agency being DEEP?

MARISSA GILLETT: Correct.

REP. CHEESEMAN (37TH): All right. Thank you.

MARISSA GILLETT: Yes, ma'am. Hopefully that provides clarity.

REP. CHEESEMAN (37TH): All right. Thank you so much. And I'm sure when I get to see it, it will make a lot more sense. Thank you, Mr. Chair.

MARISSA GILLETT: Thank you. I'll proceed with my further comments assuming that you haven't seen the testimony. Representative Steinberg, oh, keep going? Okay. So the next Bill that I want to address is HB 5225 dealing with the third party consumer protections for customers of electric suppliers. This Bill may look familiar to you as it is in large part, it's substantially similar to a Bill that was raised last session, HB 7155 I believe from last session, with a few additional tweaks.

The Bill itself focuses on establishing consumer protections for residential customers that are interacting with third party electric suppliers and having come from another jurisdiction myself, it is my opinion that the consumer protections outlined in this Bill bring Connecticut up to par with other states surrounding us in terms of having minimum marketing standards to protect our consumers. So
there are a few highlights in the Bill that we are asking you to favorably consider starting with a requirement that Altel marketing be recorded immediately at the beginning of the action, interaction, also requiring that the -- the TPV, which is an instrument that verifies that the customer really wanted to enter that transaction, ensuring that the TPV is done without the supplier in the room or on the phone so that the customer is truly giving their consent.

Also, it addresses a few things that PURA doesn't currently have authority to do., one of those being restitution. So currently PURA lacks the legal authority to order restitution if we find that the supplier has engaged in a practice that violates our law. We can fine them, but those fines are returned to the general fund. We would like to order, if we find that a violation has been made, that the money be returned to the consumer who was hurt by the practice. We are also seeking discretion that if a fine is levied in addition to the restitution was ordered, that PURA have the authority to, at our discretion, direct some of that fine to an energy assistance agency in the state such as operation fuel. One other change in this Bill as compared to what you saw last year is that it eliminates early termination fees from being able to be charged. Keep going? Okay.

So the next Bill that I'd like to address --

REP. ARCONTI (109TH): Let's let the Chairman finish her testimony, then we'll open it up to questions.

MARISSA GILLET: Okay. Thank you, Representative. The next Bill that I'd like to offer supportive testimony for is HB 5223, AN ACT CONCERNING VOLTAGE
STANDARDS. PURA has, as I mentioned, launched our grid modernization preceding last fall and one of those dockets is investigating interconnection standards, which speaks to how distributed energy resources in the state are interconnected to the grid, but from a procedural, technical, legal policy, all those angles. Through the course of that investigation we -- it was raised that a statute -- a statutory change would be preferable to -- as a mechanism to advance the state's DER policies in the state.

The statutory change before you would make it clear that Connecticut is complying with the national standard set by the American National Standards Institute, which is the national body that sets voltage regulations. If that's -- if the statute is passed it will supersede an outdated regulation that PURA has in place. We have currently waived that regulation for good cause shown until such time that we could have statute -- a statute passed to override that. So, it's a technical fix and perhaps not the most exciting one on your plate today but PURA feels that the passage of this legislation will greatly assist in decreasing the soft cost that develops, especially solar developers in the state are faced with when trying to -- try to meet the state's energy -- clean energy goals.

The next Bill that we would like to testify in support of is SB 180, AN ACT CONCERNING CALL BEFORE YOU DIG PROGRAM VIOLATIONS. This may also look familiar to you as it is language that was vetted last session through SB 960 and it is now pulled out into a -- into a single issue Bill. It addresses the authority's ability to, what we think is address a fundamental public safety issue. Call Before You
Dig has been in place for a long time now. At PURA we get about 600 cases per year and about 150 of those result in a sign each year.

What this legislation seeks to do is clarify that a regulated -- that the regulated utility is the entity that is responsible for the payment of any civil penalties that are assessed by PURA. We're not establishing new civil penalties here. We're trying to clarify who is responsible for paying them. It's not prohibiting utilities from exercising their indemnification clauses in their contracts; but what it is doing for those utilities who have chosen voluntarily to outsource the marking -- the mark outs associated with the Call Before You Dig Program, it is requiring that if they collect the civil penalty from that contractor, that that money is then directed into a fund that has been established to educate the public about Call Before You Dig.

Included in our testimony is some data that we have collected over the past decade regarding the -- the likelihood of errors committed by outsourced contractors versus in-house employees and we feel that data is quite stark and supports our reasoning of wanting to make sure that the utility is -- is held responsible for any civil penalties that are assessed by PURA after due process.

We have also provided written testimony on SB 176, however, it's fairly limited. I just wanted to bring to the Committee's attention that PURA currently has, not one but two open dockets that touch on this matter. The one highlighted in our testimony, we have a docket 2001-34 that is responding to the industry's request that we issue a
declaratory ruling on a subject that is very similar to the ones that we see in the Bills before. By statute we're required to rule on that declaratory ruling request no later than July 11 of this year, but because of the ex parte rule surrounding our docket, I'm unfortunately not able to address or speculate which way we're going to rule. I just wanted you to be informed that it is a matter currently being considered by PURA.

The next Bill -- I'm down to my last two. The next Bill that we are testifying on is SB 177 -- 175, AN ACT CONCERNING ELECTRICITY SHUTOFF NOTIFICATIONS. So as I begin I really cannot overstate the importance of energy affordability in this state. If you've heard me speak elsewhere over the past ten months you've heard me take real ownership over the issue that on a price per kilowatt hour basis, Connecticut has the highest cost in the 48 continental states and that is something that we are acutely aware of and it is perhaps the underlying issue driving the root cause of some of these electricity shutoff notifications, and we are aware that it disproportionally impacts some of our most vulnerable communities.

And like I said, we are engaged in an ongoing preceding at PURA, our energy affordability docket has already taken a lot of what I think are positive steps. When we just launched our 100-day sprint initiative which carved out four specific barriers to energy affordability in the state and has some overlap with the material that is before you today. So we are in -- excuse me -- in support and happy to address the asks of PURA that are codified or put forth in this Bill. We had one small comment that we wanted to offer to you, which is some of the
communication mechanisms that are identified in Section 1 of Bill, specifically ones that would require the utilities to make phone calls to their customers. That was a topic that was raised in one of the forums that PURA held this fall and was the subject of a press conference that the Attorney General and the Commissioner of DCP held a week or so ago. It's a source of scamming in this state that is done by, obviously non-utilities calling folks with a lot of information that they've discovered on the internet and asking -- demanding for payment over the phone, or else that customer's utility service would be disconnected.

And AARP had brought forth data and I'm sure they'd be happy to address this later today, during that press conference noting that it's not just seniors that are falling victim to these scams. They did a survey from customers that were 18 and up. So we -- we just wanted to bring that information to your attention that phone calls, while well intentioned and properly received by some folks, could also run up against the utility scamming issues that are prevalent in this state. So we are happy to continue brainstorming with you on this topic, and I'm sure many of the state agencies and advocates that are here have ideas around that.

And finally, we filed written comments on SB 5. I don't have any specific remarks to offer you this morning. We just wanted to provide informational and testimony to that point. So thank you, and I'm happy to answer any questions.

REP. ARCONTI (109TH): Thank you, Chairman. Just a couple of quick questions for myself. On House Bill 5225, consumer protections; what would be the
mechanism do you envision on how the restitution would be delivered back to the consumer?

MARISSA GILLETT: Thank you for that question. So we have a voluntary preceding that is wrapping up now that we have -- we all our supplier amnesty docket and that was where suppliers have opted in voluntarily under an amnesty period to admit that they have made some violations and in lieu of being penalized they have voluntarily opted to provide restitution to customers. So we have -- we have figured out a mechanism in that docket already where it is being facilitated as a bill credit through the EDC.

REP. ARCONTI (109TH): Thank you for that. And just a quick question on the affordability issue you know, we've been discussing, you mentioned the docket. Our residential electric delivery service rates also tend to be the highest in the New England region. Would that docket also be looking possibly at that when it comes to affordability?

MARISSA GILLETT: Thank you for that question. We are in the middle of establishing a new docket that is motion that is slated to kick off in the next couple of weeks entitled PURA investigation into electric distribution company cost recovery mechanisms and we will be taking a detailed look at the reasons why the distribution costs are what they are.

REP. ARCONTI (109TH): That's great. I'm sure a lot of ears just perked up hearing that. And one more -- just one more question for me and then I'll open up to other members. Regarding the Net Neutrality Bill, in the past the Commission has interpreted federal statutes to place internet service beyond
the authority's regulatory purview; so I guess my question is would you still agree with that and do you still believe internet services is beyond the authority's pervy?

MARISSA GILLETT: Thank you for that question. So, I think that position predated my tenure, so I can't speak to the authority's position in the past, however, as you may already know in 2017 the FCC voted on this issue and I'm sure the FCC has opined this is beyond the state's authority. I am not one to wave the white flag on what is not my authority so my general council is probably sitting behind me and a little alarmed about that right now. [Laughing] That's why we wanted to file informational comments, is that we will follow your policy direction and if this is something that you want to pursue, we are concerned about our ability to do it from a practical and financial perspective, and likely from a legal perspective as well.

REP. ARCONTI (109TH): Great, thank you. Senator Needleman.

SENATOR NEEDLEMAN (33RD]: Thank you, Chairman. It's been really great having you on board and working with you. I think you're doing a terrific job and I think your team is terrific. Just a question on the Net Neutrality thing. You guys are aware of the court case, so whatever you've opined on takes that into account, right?

MARISSA GILLETT: Yes, sir. I believe you're referring to the DC circuit court case that ruled FCC cannot uniformly preempt neutrality laws, so we're aware of that. We don't believe that, despite the DC circuit court's ruling we don't believe that
indemnifies state law from being immune to those challenges but we are following it.

SENATOR NEEDLEMAN (33RD): So your opinion is that federal law still preempts our ability to do anything? [Laughing]

MARISSA GILLETT: I think --

REP. ARCONTI (109TH): Can you identify yourself first?

MARISSA GILLETT: Sure, this is Scott Moesta, our General Council and I think the just of it is that we are going to respectively decline to say that we've taken a full look at that issue, but we are happy to do so and get back to you.

SENATOR NEEDLEMAN (33RD): I would appreciate that.

REP. ARCONTI (109TH): Representative Steinberg followed by Representative Piscapo.

REP. STEINBERG (136TH): Thank you, Mr. Chair and thank you for being here, Commissioner. I will concur with our Chair who has expressed his delight in having you on board and all the work that you're doing. Going back to House Bill 5227, obviously you're aware of the inherent and perhaps appropriate attention between DEEP and PURA in the decision-making process. In fact I recall nine years ago when we were discussing the landmark legislation House Bill 1180, there was a lot of conversation about the appropriate balance and relationship between DEEP and PURA. But I'm sure also appreciate the desire to make things happen, pertaining to many things we care about as expeditiously as possible.

I concur with your defense of your responsibility to make that final last call. And not having the
Amendment that you propose, and you expand a little bit further on how you see the process and the relationship going. You may be aware that there are some concerns about ex parte communications in the past. How do we assure that while we're in the interest of streamlining we're still respecting transparency, good process and good decision making?

MARISSA GILLETT: Thank you for that question, Representative Steinberg. I share your perspective that there is a natural tension between DEEP and PURA and I don't mean that in a derogative terms. There should be a natural tension in a well-functioning relationship. The Commissioner and Deputy Commissioner of DEEP and I enjoy a collaborate, cooperative relationship that benefits from that tension.

I think the language that we are offering here as an amendment suggests that at the discretion of the Chairperson and the Commissioner of DEEP they can enter into concurrent or a joint preceding that could -- those two -- those two processes are defined differently: concurrent and joint. They both contemplate the efficiencies that could come by developing a joint administrative record such as the one that we are developing in the value of DER study that's ongoing right now. But the amendments that we are suggesting preserve PURA's ultimate discretion to make its own independent finding. So we think that we're trying to get the best of both worlds but suggesting procedural efficiencies versus -- versus PURA's decision making.

And one of these in concurrent the ex parte roles are still -- and can still be invoked. The language that we would like to add is that the department may
still be a party in that, and a participant in that preceding versus in a joint preceding the ex parte would be waived by function of this statute so that DEEP is recognized as a statutory party in a joint preceding. So we're trying to clarify that there's a difference between concurrent and joint but in either case PURA remains the ultimate decision maker. Does that answer your question?

REP. STEINBERG (136TH): Yes, it does thank you. But as a follow-up, now that we have these two nonsynonymous definitions of the concurrent and joint, is it up to a specific statute to determine which of the two would be invoked and do you foresee one being used more than the other?

MARISSA GILLETT: Thank you. Our belief is that the -- the -- the Bill as proposed is ambiguous on that point and that's a problem for us. The language that we had discussed in the session had the decision between the two types being at the discretion of the Chair and the Commissioner of DEEP.

Frankly, it's my understanding that the underlying section 15-5 has not been utilized since being adopted; at least no -- no resulting project has come to PURA that I'm aware of. PURA, however, holds many proceedings that you're aware that DEEP is an active participant in. So I just -- I personally didn't want to get too wrapped around the axel on this particular pathway feeling like that the process that we have in place as an everyday matter of law is -- can be productive.

REP. STEINBERG (136TH): I agree with you and I am concerned about the precedent this Bill would set unless there's much more clarification as to its
actual utilization and I think if we look at the -- the DER docket as our one sort of example of some sort of concurrent effort, it should give us pause to determine whether or not this is something we necessarily want to encourage. I remained concerned that even if I'm in favor of the idea of moving things as quickly as possible that there may be consequences that we may not find as salutary. So I'll be keeping a close eye on this Bill to see what the final language looks like. Thank you, Mr. Chair.

REP. ARCONTI (109TH): Thank you, Representative and we have a resolution. Chairman's testimony is now up on the system, so thank you to our Clerk for quickly resolving that.

MARISSA GILLETT: So you want me to start over is what you're saying? [Laughing]

REP. ARCONTI (109TH): I'm going to respectfully decline. [Laughing] Representative Pisapco.

REP. PISCOPO (76TH): Thank you, Mr. Chairman and thank you for your testimony and congratulations.

MARISSA GILLETT: Thank you.

REP. PISCOPO (76TH): I was just looking up your testimony. I don't know if your testimony on Senate Bill 175, you mentioned a report, the Four Barriers of Affordability; is that included in your testimony with that or?

MARISSA GILLETT: So I mentioned, I apologize I'm a fast talker so I may have confused the issue. We have four sprints. So there's a concept it in that's not my own. I think Connecticut has a history of running 100 day sprints where you get a
resolution at the end of 100 days. We have identified four separate barriers to energy affordability that we are pursuing through this 100 day sprint model. Those four sprint topics are referred to in my testimony but if you would like more detail on them, Representative I'm happy to forward you our press release in underlying order. I can briefly verbalize them now, whichever is your preference.

REP. PISCOPO (76TH): Thank you. And another question on Senate Bill 5. I understand and respect your -- your answers you know that you still have to analyze what's going on with the -- with this Bill and how it effects PURA. There's a section in the Bill that requires registration of the authority, you being the authority; would you be able to supply the number anticipated of those that would be required to test -- to register with your authority if God forbid this Bill goes through. [Laughing]

MARISSA GILLET: We -- thank you for tipping your hand in your position. [Laughing] So I will -- I will have to say that we -- we took our best guess at estimating the number of ISDs in the state and multiply that by the $5,000 registration fee and compare that to what the cost of 5-10 FTEs would cost and found it was short. So we were guessing hundreds if not thousands IFPs. But we don't have a definitive number that I can give to you. We can keep looking.

REP. PISCOPO (76TH): Thank you. Appreciate that answer, and thank you, Mr. Chairman and forgive my editorial comment on that last question. [Laughing]
REP. ARCONTI (109TH): No worries. It's good to know where you stand. Representative Cheeseman followed by Representative Ferraro.

REP. CHEESEMAN (37TH): Thank you, Mr. Chairman. Thank you so much for coming here today. A couple of questions. On 5225 --

MARISSA GILLETT: Yes, ma'am.

REP. CHEESEMAN (37TH): -- I noticed from some of the testimony submitted, does this apply to all business as well -- and commercial as well as residential customers because that's not made clear and I understand there was some concern about that.

MARISSA GILLETT: Thank you for that question. This deals with residential customer protection only.

REP. CHEESEMAN (37TH): Do we need to spell that out to make that clear, do you think?

MARISSA GILLETT: I would be happy to look at it further. This was how it was presented last year and it was -- my understanding was that it was clear last year that it was residential customers only but I will expect an amendment if you -- if that's your prerogative.

REP. CHEESEMAN (37TH): Thank you. And the -- the other question relates to the 30-day notice period. Again I saw if you're assigning a customer to a new supplier there was some comment as to that it would require approval. In the case where one company acquires another company, that affirmative approval that applies. So in effect you are approving the sale of one company to another? I'm trying to -- again, the testimony that was submitted in other states you're required to notify the relevant
agencies. If they have an objection they have then -- can lodge it. So I'm just trying to understand how this would play out in the case when one supplier requires another and hence acquires their customer base.

MARISSA GILLET: Yes, ma'am. Thank you for that question. So we are trying to clarify that be assign -- so the actual act of the assignment to the customer to another is what would require our approval and not the -- the sale of a company or acquisition of the companies between each other. But where this came up as a real-life example over the past couple of months; we've had the unfortunate event of a few suppliers declaring bankruptcy in the New England region and the book or the customers -- one supplier in particular was acquired by another company that is doing business in this state, we have no authority at PURA to draft or anything with respect to that assignment. And the reason we cared is because the -- the supplier who went bankrupt had a multi-million dollar RPF judgement that's outstanding. So we're looking for -- to become on par with other states that require approval of that assignment so that we can lodge an objection if there's an outstanding judgement against the supplier.

REP. CHEESEMAN (37TH): Okay. And how would this play out in real life in that example? What would the steps that PURA take -- how -- how would it work? 'Cause obviously if your supplier goes bankrupt somebody has to assume the service and the risk so I'm just trying to understand the logistics of this.
MARISSA GILLET: Yes, ma'am. So there are two options in that scenario. The someone who would -- who would provide service could ultimately be the state or a standard service, so there's always a backstop for those customers. How this could play out in the example that I provided is that hypothetically PURA could have stepped in and said, fine supplier B you can acquire that customer base, however, we want to negotiate with you over paying the outstanding RPS judgement from supplier A and it's -- it's just leverage that we do not have. If we enter lien in the bankruptcy court we're going to be at the end of a long list of other states that want retribution too.

REP. CHEESEMAN (37TH): So basically this gives you sort of another arrow and the quiver to say, hey, fine this can go ahead but.

MARISSA GILLET: Yes, ma'am.

REP. CHEESEMAN (37TH): The conditions are. All right. Thank you, that's been very helpful. And on SB 80. So I understand the timeframe for Call Before You Dig is two working days; am I correct in reading the statute?

MARISSA GILLET: Let me just get to that folder. That will take me a second to clarify but if you're -- if you want to --

REP. CHEESEMAN (37TH): Sure, and I know -- again, looking at some of the public hearing testimony stating there may be conditions outside of their control as in the local municipality needs to supply police or those sort of things that there were some concerns about that. And also in the CCM testimony, if it's a public authority i.e.. owned by
municipality PURA can demand they forfeit the penalty. And again, you know they -- they may have misinterpreted this but your -- your view is that in the case of utilities, if they haven't followed the rules even though they're contractors they maintain their contractors are at fault, they shouldn't be able to benefit from they themselves being at fault; am I -- I sound totally confused, I know so I hope you're not as confused as I am. [Laughing]

MARISSA GILLETT: Oh me too. So let me take a stab at the first one. So I asked the Chief Pipeline Safety Engineer for PURA who has been there for his whole career, decades long, we have within the past 30 years I can say confidently never fine -- it never issued a single fine for Call Before You Dig related to a forced measure like police weren't available, there was a weather that prevented it, so I just can't -- I can't possibly --

REP. CHEESEMAN (37TH): So you use your discretion.

MARISSA GILLETT: Yes, ma'am. And there's a due process provision that allows companies to appeal first to our engineers and then to the full authority to present testimony that negates that liability.

With regard to the language in the statute, I heard some confusion about the term person that is -- that is captured in the statute. I would note that, and I think that gets to your municipal -- municipality question. I would point the Committee to the existing section 16-356 in your Bill at line 3. That language is any person, public agency or public utility, that is a term as defined in our -- our Call Before You Dig statute and it has not been interpreted to apply to like residential homeowners
or things of that nature. And I think I'm confusing your original question. [Laughing]

REP. CHEESEMAN (37TH): No, quoting from the CCM testimony, "Under SB 180 if a public agency which includes municipalities recoups the penalty from an outside source such as the contractor that performed the work, PURA can require the public utility to forfeit the penalty." And this unfairly penalizing local governments for CBYD violations of contractors. I just, obviously they're concerned and I wondered how that would apply in real life.

MARISSA GILLETT: Yes, ma'am. So in real life what we are trying to do is hold the public utilities accountable for the actions of -- we're trying to prevent the utilities from escaping liability if they choose voluntarily to outsource this role. There is a utility -- UI doesn't outsource so they already have to bear the brunt of these penalties themselves. So we're just trying to create a level playing field. We're not interfering with the indemnification clauses generally so if that contractor has done something more broadly the -- the municipality or whatever can still pursue whatever their contractual rights are. We're just getting that specific dollar amount that was fine and seeking to make sure that they are hiring the best contractors and holding those contractors accountable.

REP. CHEESEMAN (37TH): So they made the decision to outsource therefore if something goes wrong the buck stops with them because it's their decision originally.

MARISSA GILLETT: Yes, ma'am. We are trying to get the buck to stop with them.
REP. CHEESEMAN (37TH): Thank you very much for your answers. Thank you, Mr. Chairman.

REP. ARCONTI (109TH): Representative Ferraro.

REP. FERRARO (117TH): Thank you, Mr. Chair and Marissa coming today and testifying. When you decided to leave Maryland and come to Connecticut I think that was a blessing for us. You're doing a great job over at PURA and this Committee specifically is very interested in PURA's stance on these Bills. I just have a few questions, and I do want to align myself with Representative Steinberg's comments regarding the -- what appears to be maybe the blurring of the lines between PURA and DEEP with regards to authority and final decision on certain things.

And my question to you is, do you find that that is happening in this particular case or that the potential for it to happen could interfere with your ability to you know, take a policy and move it forward?

MARISSA GILLET: Thank you for that question. I am confident that there's not been any impairment of my ability to do my job thus far. Anyone that's been in my courtroom knows that I have my own mind. So, I don't believe that that has occurred thus far. I have a great collaborative working relationship with Commissioner Dykes and Commissioner -- Deputy Commissioner Hackett, so while I think we all pursued the language that we thought was going to be in the Bill and collaborative spirit, seeking to get some procedural efficiencies, I think just how it came out on paper, the reality of it caused some alarm for me.
REP. FERRARO (117TH): And through you, Mr. Chair, so you think that by clarifying those two terms statutorily would assist you in getting rid of that alarm, shall we say?

MARISSA GILLETT: I'm happy for the Bill to -- to either be clarified or not move forward. It's not a priority for PURA as we think that some of the processes that we have underway already are moving in the right direction. But to the extent that this is something either the stakeholders or the Committee or someone -- another agency would like to move forward with, we would be happy to support that if the language that we put in our testimony is added.

REP. FERRARO (117TH): Thank you for that answer. And going to number 5225, you were discussing the mechanism with Representative Arconti for getting the fines back to the consumer. Is that going to be a 100 percent reimbursement to the consumer or is there a percentage that --

MARISSA GILLETT: In the amnesty docket that we're running right now it is a 100 percent return of what we were able to calculate in that preceding as being incorrectly charged to the consumers. There's no administrative costs or anything of that nature. And we would seek to order 100 percent restitution moving forward.

REP. FERRARO (117TH): Great, thank you. And moving on 5223, this is a Bill that I'm not really -- I'm having trouble really understanding and you were talking about clarifying, Connecticut would comply with the national standards for voltage regulation. Are we -- is our current standards -- I mean I assume they comply with national standards? Is
there any problems with the current standards that you might like to elaborate on?

MARISSA GILLETT: Yes, thank you for that question. While I am an engineer, it's been years since I practiced so I'm going to give this my best shot. The -- our current regulation, it's PURA's regulations versus statute and the regulation is more prescriptive in terms of the variances than the national standard. And what -- if we stayed with that prescriptive variance, we received testimony in a previous PURA docket that is detailed in our testimony that the existing upper voltage limit has a detrimental impact on solar project development in the state. So in that prior docket UI noted that in over a period of three years, 250 proposed DER applications were negatively impacted by the existing variance -- voltage limits that are specified in our regulation. So the national standard which is captured on the ANSI we are seeking to -- to conform to the national standard while maintaining PURA's ability to waive -- or to clarify what that ANSI standard should be as applied to Connecticut projects. But the exemption language requires that we find -- it would still be safe and reliable service because that is our core mission here.

REP. FERRARO (117TH): Just a follow-up on that. The current voltage standard differential to the proposed national standard; what is -- what is the difference?

MARISSA GILLETT: What is the difference? So the ANSI standard C84.1 established voltage variance limits upper and lower of being plus or minus 5 percent of the nominal voltage and the regulation is
plus or minus 3 percent, so it's a 2 percent differential.

REP. FERRARO (117TH): I appreciate that answer. Thank you. And going to the -- our favorite Bill, the -- where is it?

MARISSA GILLETT: If it's Net Neutrality I'm done answering questions. [Laughing]

REP. FERRARO (117TH): Yes, that's the one. I just want to ask you a simple question. It's -- when we first started seeing this Bill and the red flags went up and the doomsday predictions went up regarding throttling that would take place and you know certain companies would be targeted and what have you. Have we -- in the two years that -- that this has been repealed, have we seen in the state of Connecticut any examples of that taking place?

MARISSA GILLETT: I think that's a great question, sir. Unfortunately PURA is not currently structured in a way where we would monitor or receive those complaints so I can't give you a definitive answer one way or the other. I can't even give you an anecdotal answer 'cause I wasn't here a year and a half ago.

REP. FERRARO (117TH): I appreciate that, and I'm sure I'll be able to ask somebody later on in the day that does have that answer, but my understanding is that there hasn't been any and if that's the case then you know, it seems like we have a Bill in search of a problem. But thank you very much for your answers. Thank you, Mr. Chair.

REP. ARCONTI (109TH): Representative Meskers followed by reps Gresko -- just kidding, Representative Winkler after Meskers.
REP. MESKERS (150TH): Thank you, Mr. Chair. And congratulations on the job. I'm glad to see you here. I want to speak first towards 5225 and making reference to an earlier docket decision by PURA regarding third party energy suppliers and energy assistance program. In your study there and in your ruling my understanding was that you found no economic value in the third party energy suppliers to measure it with their -- allowing them to operate in our energy assistance market. And the surcharges I saw were on the order of $7 million I believe. When I read the -- the study's produced by the Consumer Council and DEEP, the third party energy suppliers in aggregate are charging energy consumers in Connecticut to the tune -- surcharges of approximately $37 million annually. So when we talk about cheaper energy, I think they provide a barrier to cheaper energy in that they are classically involved in a bait and switch operation. I'm not sure what the business model is for that other than legitimate theft of consumer dollars given that this is a commodity with no discernable differentiation.

So I'm concerned here. I'm in support of the Bill 5225, but 5225 to my mind seems to only at the margin tighten sales practices where people have an incentive. I would argue the incentive is to get $37 million of hard-earned money out of consumer -- out of my constituents and the residents of the state and that we're looking to provide them that their sales practices are "legitimate." But given that the business model is basically offering consumers a 20 percent discount or 30 percent discount on the first contract period and then providing them with a surplus -- a surcharge in the rollover periods, I'm not sure how this will curtail
that operation. And I was wondering why you didn't consider moving onto a -- either an established contractual period so that the rollover rates between the various utility suppliers has a comparable base rate, or that you didn't have a fault back to the uniform suppliers.

So while I will support the Bill I don't think it goes far enough and so I'd love to hear some of your thoughts on that.

MARISSA GILLET: Thank you, Representative. I appreciate those comments. And I believe you're referring to our hardship docket where we order the utility -- or advise the suppliers to return hardship customers to standard service by -- by the middle of this year. So, I appreciate that -- that there will be many viewpoints that feel the Bill does not go far enough, and it could certainly go -- go further. Whether the elimination of our renewals or addressing some of the remaining variable rate customers that -- that are experiencing those issues.

I think at the heart of it, what PURA is looking to do is get a Bill passed that will -- that will undermine our very real legal arguments that we experienced in Superior Court last year where the suppliers were challenging PURA's ability to -- where certain suppliers were challenging PURA's ability to regulate their marketing practices and other things that are captured in this Bill.

So first and foremost I am looking into -- to undermine those legal arguments with a Bill that -- that I feel can pass -- hopefully pass this session, and I will be happy to continue engaging with you
and your colleagues on refinements if you would like.

REP. MESKERS (150TH): Thank you. That's exactly why you should expect my support on the Bill. But as we begin to hammer through on prices of distributive energy and the cost of distributive energy and the overall cost of energy, I hope you will keep this practice and the practice of third party energy suppliers within your crosshairs because I'm all for the private sector operating in those markets, but if there's no discernible benefit to the consumer, my question is why are we allowing them to basically hijack resident's wallets with inner commodity market; and in generally in the -- in the markets on Wallstreet and all, these types of practices have been regulated out of existence. And they can provide a lower cost energy, they're more than welcome to operate and I think we need to get to that message at some point, but thank you.

MARISSA GILLETT: Yes, sir.

REP. ARCONTI (109TH): Thank you, Representative. Representative Winkler.

REP. WINKLER (56TH): Yes, in your comments on SB 5, Net Neutrality Bill looking to head off a problem; in this lentiginous can you ever be free of challenges?

MARISSA GILLETT: Free of legal challenges?

REP. WINKLER (56TH): Correct.

MARISSA GILLETT: No.

REP. WINKLER (56TH): Okay. Two sentences from the court decision the Per curia opinion Mosillo vs. FCC. "The court concludes the Commission has not
shown legal authority to issue its preempted directive, which would have barred states from opposing any rule or requirement that the Commission repealed or decide to refrain from imposing any order or is more stringent than the order. The court accordingly vacates that portion of the order." My only request is that your legal team not over-think this opinion. If we did not act because we might be challenged, we would never act. Thank you, Mr. Chair.

MARISSA GILLETT: Thank you.

REP. ARCONTI (109TH): Thank you. Any? All right, you're free. [Laughing]

MARISSA GILLETT: Thank you.

REP. ARCONTI (109TH): So we will call up next Deputy Commissioner Hackett and then following the Deputy Commissioner we'll go to our public list and go back and forth so after Vicki will be Pat McDonnell.

VICKI HACKETT: Good morning, Senator Needleman, Representative Arconti, Senator Formica, Representative Ferraro, I think he stepped out, and the members of the Energy and Technology Committee. My name is Vicki Hackett. I'm the Deputy Commissioner of Energy for the Department of Energy and Environmental Protection. With me today to help answer any questions that you may have are Michael Lee, our Bureau Chief over here, Lawrence Savage our Director of Energy Supply, and Julia Demane an Associate Research Analysis with DEEP. I thank you so much for the opportunity to address you today, and look forward to working with you throughout this session.
So I'm going to focus my oral testimony -- testimony today on three Bills that DEEP proposed. First I'd just like to walk through a couple of other Bills that I'd like to quickly hit on just to express support. So for HB number 5228, AN ACT CONCERNING THE COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY PROGRAM. DEEP supports the aspects of this Bill related to electric vehicle infrastructure. We're also supportive of any new revenue streams that can help support or resiliency efforts in the state of Connecticut. I think we're taking a closer look at that part of the language in the Bill to make sure it aligns with sort of, what we're doing on the environmental quality and environmental side of the agency. So happy to continue the discussion on that.

For HB 5225, AN ACT CONCERNING CONSUMER PROTECTIONS FOR CUSTOMERS OF ELECTRIC SUPPLIERS. We're very, very supportive of this Bill. It gives PURA the tools that PURA needs to continue to do an amazing job, which they're already doing in providing for consumer protections in the electric supplier market.

And I just want to touch quickly on HB 5227, AN ACT CONCERNING DISTRIBUTED ENERGY RESOURCE SYSTEM IMPROVEMENTS. So we had come up with language that was agreeable to both PURA and us that provided for PURA to be the final arbiter of decision making, but also allowed for expedited processes under that statute and so the language that we -- that we submitted reflected that and I think the language came out differently than we both expected, so to the extent we could arrive at language that works for everybody; we're happy to do that. It's not a
very large priority of DEEPs that that move forward anyway.

So -- and then HB 5223, AN ACT CONCERNING VOLTAGE STANDARDS. We're also in support of -- this concept has been around for a while and recognizing the need to interconnect new resources and that our current voltage standards that I believe are in regs probably you know need to be a little bit -- need to be updated and modernized. We support that as well.

So digging in a little bit more to the three that I'd like to focus on today. I'd like to start -- so these Bills, the thing that they have in common I think is consumer transparency, affordability and access to infrastructure and information. And these Bills would also require very little, if any funding by rate payers while having a significant positive impact on our ability to meet our greenhouse gas emission reduction and air quality goals.

So I'd like to start with Senate Bill 177, AN ACT CONCERNING CONSUMPTION DATA AND LABELING. The purpose of this Bill is to provide transparency into the energy use of large buildings and allow potential home buyers and renters to access information about the energy consumption of the home that they're considering so that they can accurately assess the cost of renting, leasing or buying the property. I'm going to focus on Section 2 of this Bill because that's really the heart of the Bill, and it's so important to the topic of affordability that's really been front and center of this session, as it should be in discussions about energy.
I'd like to start by saying that we drafted this the way that we sought to compromise from the beginning and make compliance as straightforward as possible to reduce as many of the anticipated objections that we would get as possible. So Section 2 of Senate Bill 177 requires that property owners provide information about a home's energy consumption upon request -- just upon request to potential renters and buyers. Property owners can either provide the last year of energy bills or they can provide a home energy rating. Home energy ratings are available through the Home Energy Solutions Program at a cost of only $75 to participate in a home energy audit, which also comes with other benefits such as air sealing and other efficiency measures.

The HES program is funded by all rate payers, including rate payers with moderate to limited incomes who historically have had a someone impaired ability to participate fully in the program, especially if they're renters because landlords often have little incentive to participate in the program if the tenants are paying the utility bills. Landlords will have greater incentive to make their buildings more efficient and therefore affordable, if they have to disclose the efficiency of the building to potential tenants upon request.

As an alternative to providing a home energy rating building owners to comply with this Bill could instead provide the previous year's energy bills. Billing information is somewhat imperfect because it does vary according to individual habits, but the greatest variance depends on the efficiency of the building envelope and the heating system and any information about potential energy costs is better
than no information at all when people are trying to find a place to live that they can afford.

We know you're going to hear a lot of objections about how this is difficult for building owners to comply with. There are several aspects of the bill designed to address that. I think that we have to ask ourselves whether those arguments truly outweigh the right to access the best available information about a home including energy bills associated with that home. We provide all kinds of information on the MLS to provide transparency if one of the most significant pieces of information is notably absent. I once had a colleague, a single mom with two kids who moved into an apartment she thought she could afford only to find out the electric bills were over $500 a month because she had electric resistance heating and no meaningful insulation. She was now trapped in an unaffordable situation with the cost associated with breaking a lease and moving balanced against not being able to pay the electric bill.

For a person with fewer resources, this situation could have easily lead to electric shutoff and even homelessness. This transparency this Bill -- this proposed Bill provides is critical to empower residential customers to make housing choices they can afford. The proposed Bill will also provide an incentive for property owners to make their buildings more energy efficient, a critical strategy to reduce building sector greenhouse gas emissions and increase energy affordability, and the only cost to payers -- to electric rate payers would be the administrative costs of the utilities in collecting, storing and providing the information when requested.
Providing home energy rating to homebuyers has not been shown to negatively impact home sellers. Multiple studies have found that homes listed for sale that disclosed energy costs, even when costs were high, spent less time on the market and closed as a higher percentage of the asking price than homes that did not disclose this information. In other studies, homes with energy efficient features have even shown to sell at a premium.

Section 1 of this Bill revises an existing statutory requirement in Section 245-ii, which requires each electric distribution company and gas company to maintain and make available to the public records of energy consumption for at least the most recent 36 months for nonresidential buildings. The statute is difficult for the utilities to implement because it requires them to maintain the confidentiality of the customer which is inconsistent with the recording requirement. So Section 1 of this Bill removes the confidentiality requirement, which is consistent with how other states approach large building energy labeling and also limits the requirements of buildings over 5,000 square feet.

Next I'd like to turn to Senate Bill Number 178, AN ACT CONCERNING ENERGY EFFICIENCY STANDARDS. The purpose of this Bill is to establish and update state appliance and equipment, energy and water efficiency standards which have not been updated since 2011. And to protect Connecticut's businesses and residents from the impacts of federal lighting efficiency standards repeal. The Lamont administration is strongly committed to advancing clean energy solutions that prioritize affordability for homeowners, businesses, manufacturers. We
support this Bill because energy efficiency standards are a critical step in transitioning to an energy efficient and decarbonized economy.

Efficiency standards are common sense policy to minimize energy demand and help businesses and residents lower their energy costs. The majority of the product standards proposed in this Bill would go into effect in 2022 and by 2025 would save 171 gigawatt hours of electricity, 2.3 billion gallons of water and $68 million dollars in energy bill savings per year, and cut CO2 emissions by 66 metric tons annually. States all around us are going to be implanting standards and reducing their demand and if we don't keep pace with them our portion of regionally shared costs such as transmission costs could increase.

Analysis of products currently available for sale has shown that the per unit incremental costs for residential products in this Bill is only $20 more on average with many actually having no incremental costs at all. Given the average payback period for the products in this Bill is less than one year, these products are smart investment for consumers. This Bill also benefits businesses and particularly those with slim profit margins like restaurants. This Bill includes commercial cooking appliances among other things that are 44 percent more efficient on average than noncompliant alternatives. The improved efficiency can help businesses reduce operating costs and grow profit margins.

Importantly, this Bill is not mandating immediate equipment replacement. Businesses can keep their equipment as long as they wish, however, when it does come time to replace a restaurant owner who
purchases for example a new steam cooker will recover the incremental costs in the first year and then save approximately $3,200 a year in energy costs.

Connecticut would not be acting alone in adopting these standards. Several other states are using that model Bill that this Bill is based on including Maine, Massachusetts, Rhode Island and Illinois. Hawaii, Colorado, Nevada, Vermont and Washington passed Bills this year using the 2019 version of the -- of the model Bill. Product efficiency organizations have organized action in a coordinated manner to work toward a common approach multiple states to simplify implementation by manufacturers. If Connecticut doesn't adopt this Bill then federal actions may preempt our ability to continue to progress on saving energy and could result in inefficient products effectively being dumped into the Connecticut market from states that have passed the standards. We welcome the opportunity to work with the Committee to address any specific aspects or concerns about this Bill as we progress through the session.

Finally I'd like to talk about House Bill Number 5226, AN ACT CONCERNING ELECTRIC VEHICLE CHARGING STATIONS. The purpose of this Bill is to remove barriers to and establish an orderly process for the installation and use of electric vehicle charging equipment by residents of associations and rental property. DEEP supports this Bill because deployment of BBs in Connecticut is an essential component to the state's strategy to reduce greenhouse gas emissions and harmful air pollutants from the transportation sector. This legislation would increase the number of Connecticut residents for who
EV ownership is a realistic option and provide a process through which residents can seek approval for charging equipment installation while simultaneous protecting the property interest of associations and landlords.

This Bill would also help make the use case for electric vehicles more attractive from an electric grid perspective. To prevent the negative impacts to the grid from increased demand will need to encourage charging any off-peak overnight hours. EV owners who are forced to rely on publicly available charging infrastructure or workplace charging because they cannot install charging infrastructure at home are more likely to charge their vehicles during peak hours. Access to residential charging will also allow for participating in future EV charging demand response programs that may be offered by Connecticut's utilities. House Bill 5226 is modeled after legislation passed in several other states and would prevent condominium and homeowner associations and landlords from unreasonably restricting individual unit owners or renters with a designated parking space from installing EV charging equipment. The association or landlord may require the unit owner or renter to submit an application and may impose reasonable restrictions on installations.

This Bill places the financial responsibility for all costs arising from the purchase installation and maintenance of the charging equipment and any associated metering equipment solely on the unit owner or tenant. Unit owners and tenants are also responsible for either transferring ownership or removing infrastructure upon vacating the property.
We've been reaching out to other stakeholders on this Bill and there's been an interest in working to refine the language to address stakeholder concerns. And again as with the other two Bills that I've discussed, this Bill does not call for the use of public dollars.

I'm happy to answer any questions that you may have, and look forward to working with the Committee as other stakeholders as the session progresses.

REP. ARCONTI (109TH): Thank you Deputy Commissioner. I will start with a few questions. Start with Senate Bill 177. So do you -- does DEEP want a penalty to apply if the data is not verified or incorrectly verified?

VICKI HACKETT: Interesting. I had not considered that. So you're saying if somebody provides data that is wrong, intentionally provides data that's wrong. I mean I suppose that could fall within PURA's jurisdiction under 1641 for failure to comply with a statute. So --

REP. ARCONTI (109TH): Okay. We'll continue talking about that.

VICKI HACKETT: Yeah.

REP. ARCONTI (109TH): And -- so you have the ability -- the Commissioner will have the ability to make exemptions so is there a criteria that you would want to include in the legislation that would guide the Commissioner in making these exemption determinations.

VICKI HACKETT: I think that was for the Section 1 for the large buildings, right?

VICKI HACKETT: I mean that's something we could also talk about. I think you know if there are concerns about you know what should guide those exemptions we're more than willing.

VICKI HACKETT: Okay, thanks. Just a general comment. This all-encompassing data privacy bill in another Committee and if both of those pieces, if that Bill becomes law and this Bill becomes law I have no idea how we could even do this new statute, but that's for a conversation another time. I just wanted to say it for the record.

VICKI HACKETT: Yeah, I appreciate that.

REP. ARCONTI (109TH): So House Bill 5226. Who -- would DEEP make the determination in regarding the impossibility or unreasonable expense of the installation?

VICKI HACKETT: No, I think that would as with other sort of condominium association issues and landlord tenant issues it would be -- if it were to get litigated it would be a court issue, yeah.

REP. ARCONTI (109TH): So there's -- there's not a specific amount the agency would consider a threshold for unreasonably expensive?

VICKI HACKETT: No, we're not -- we're not trying to set a specific amount. I think that there's a lot of variability in condominium develops and some are maybe aimed toward moderate income folks or people with more limited incomes and some are higher end and I think so I there could be some reasonable variability in what might be considered reasonable. And a reasonable standard I think, you know it's a little squishy but it's also fairly common in the law.
REP. ARCONTI (109TH): Okay. And just moving on to the same Bill in regards to the language around fine against an association for a violation of the Bill, that we give money directly to the applicant. In your opinion would this provision authorize a civil lawsuit for the fine and if not, how would it be enforced? How would you enforce it?

VICKI HACKETT: You know I think what we contemplated was that if there was a difference of opinion it would be settled by the courts. We did have in our language that we submitted an attorney's fees provision and we have discussed that with some of the interested stakeholders who raised concerns about that. We -- I think we took that from what was in other states, but we have -- we're flexible on that and happy to continue discussing.


VICKI HACKETT: Understanding that there could be unreasonable parties on either side of the situation, so.

REP. ARCONTI (109TH): Gotcha. So moving on to the language around, that we require a tenant to maintain a liability insurance policy. Beginning the day we approve construction. What would happen if a tenant can't obtain an insurance policy for a spot that will only exist at a future date?

VICKI HACKETT: Then I think there's -- there would be no -- that's a requirement so without that they wouldn't be able to move forward.

REP. ARCONTI (109TH): Okay. And just one question on the energy efficiency standards. The language defines commercial dishwashers and commercial fryers
so how would the agency differentiate between commercial and residential for these two items?

VICKI HACKETT: Well I'm -- you know what? I'm going to defer that question to Ms. Dumaine.

JULIA DUMAINE: Can you repeat the question, please?

REP. ARCONTI (109TH): Sure. The provider language defines commercial dishwashers and commercial fryers so how would you differentiate between commercial and residential for these two items? For my -- the current definitions don't include anything that would clearly indicate a commercial appliance and could you just identify yourself for the record, for the Clerk.

JULIA DUMAINE: Yes, Julie Dumaine. The standards are intended to apply only to commercial products like that so if there is not a clear explanation then we would probably review that and ensure that it --

REP. ARCONTI (109TH): Okay. We can work on that offline.

VICKI HACKETT: We'd be happy to provide whatever language is necessary to make that distinction.

REP. ARCONTI (109TH): Great. That's all I have. Open up to other Committee members. Representative Elliott.

REP. ELLIOTT (88TH): Thank you. For Senate Bill 177 what would you say the concerns about unfairness to property owners when they have tenants that have wide variations of energies.

VICKI HACKETT: Thank you for that question. So yes, that is a concern that -- that we hear from --
from landlords and I would say that there's a bigger potential for discrepancy that comes from the lack of efficiency in a home than from you know, I would say most individual use. And I think the first step in energy affordability is really transparency. And to the extent that a land -- a homeowner doesn't want to, or building owner doesn't want to or isn't able to get a home energy rating, which is an option for -- for anybody with a home less than four units, four or less units in it; I think that billing information is just the next best available data and to say that we shouldn't provide that because it may be slight imperfect, if that leaves us with providing nothing that -- that really just can't be the right answer. When people need to plan for their futures and especially people who are on a -- who -- who had a limited or you know moderate income, to expect them to have absolutely no transparency and to one of the biggest costs of living in a particular building would seem to be setting them up for -- for failure right from the beginning.

REP. ELLIOTT (88TH): Thanks, and what sort of interplay do you see between this and the energy shutoff bill.

VICKI HACKETT: Thank you. I think there's actually a lot. PURA's doing amazing work right now on energy affordability but they're 100 day sprints and their dockets are very focused on this. We're also looking very closely at what we can do within the (inaudible - 01:19:53) Program that we have oversight over. With respect to affordability and making sure that we are putting the right standards in place so that we can reach the homes of people with limited incomes. I think that -- to the extent
people have some idea what their energy might -- 
bills might be before they commit to a home, they'll know whether they can afford those bills, right? 
And if they don't know what they are and they turn out to be a lot higher than they expect and they can't afford them, then you end up in the position where they are facing shutoff because they're just in an untenable position that they can't afford. So I think -- I think it's really the first step toward 
energy affordability, is making sure people know what they're going to be facing.

REP. ELLIOTT (88TH): Great, thank you.


SENATOR FORMICA (20TH): Thank you, Mr. Chairman, good afternoon. Good afternoon.

VICKI HACKETT: Good afternoon, Senator.

SENATOR FORMICA (20TH): Thank you for your work on all of these variety of issues. I have -- I have a couple of questions in line with Representative Elliott's question and I'm not sure that I heard an answer to his question about the varying degrees of use and how -- how would -- how would -- how would a landlord react to that if someone came and -- is it -- you said electric bills.

VICKI HACKETT: It's energy bills so I think you know, it's electric and gas. 'Cause that --

SENATOR FORMICA (20TH): Propane is included in all of these Bills that you're talking about, the Standards Bill and all of that.

VICKI HACKETT: I don't think we're anticipating requiring propane or oil simply because it's harder for the landlord to -- if they're not the ones
purchasing it, it's harder for them to have access to the billing information whereas with the regulated utilities they can get the access through the utilities. So -- the landlord could get the access through the utilities the way we have it.

SENATOR FORMICA (20TH): So now you've accused -- you've -- you've confused me further. We're trying to provide potential tenants with a history of electric bills from the previous tenants provided to the prospective tenant by a landlord.

VICKI HACKETT: Yes.

SENATOR FORMICA (20TH): Yet the landlord most often is not the name on the electric bill nor the controller of how hot or warm or cold the heat or water is in the building.

VICKI HACKETT: Yes.

SENATOR FORMICA (20TH): And so how would the landlord be expected to have access to that bill?

VICKI HACKETT: We --

SENATOR FORMICA (20TH): Those bills.

VICKI HACKETT: We included a provision that would require the utilities to provide that information so there is a small administrative -- there would be some administrative costs associated with utilities, you know saving and providing that information when requested. As far as the landlord having control over their tenants bills, it's kind of -- it's a chicken and egg situation, right? So on the one hand we hear all the time that -- that because tenants don't have control over the building and making building improvements they can't make their homes more efficient. The landlord has to choose to
make the home more efficient. And so -- but then when the tenant is responsible for the -- for the bills, but not the building they are often stuck with bills that are higher than necessary because they can't make the efficiency improvements that are needed.

So it comes down to, yes, there may be some tenants who use more energy than others. The landlord is always free to provide more information if they believe that the -- the billing information that they're providing isn't representative of what the energy -- the average energy use should be for that building. They can always provide information that shows that they have taken measures to improve the efficiency of their home, that they participated in the home energy solutions, home energy solutions program. They can get the home energy rating that would demonstrate a usage neutral evaluation efficiency of the home because the home energy rating doesn't depend on how much a particular tenant is using. It looks at objective measures such as the billing envelope in the heating system.

So I think it's a matter of you know, it may not be completely perfect information, but it's providing the best available information, which is either the home energy rating or in the alternative, the bills or the billing information, not the actual bills.

SENATOR FORMICA (20TH): So I guess going back to the beginning of your answer when you said that the landlord would have access to these information from the utility company who then is required to gather all of this information and have it at their disposal. If any landlord anywhere in the state, whether it's a single family, a two family, a three family or a large apartment building; and I think
you suggested there may be some administrative costs to the utilities there.

VICKI HACKETT: I think there would be some administrative costs. I think if we look at our electric bills it always shows sort of what your usage has been you know for the past year. So I think they're already maintaining that information for every separate meter. I'd love to hear from the utilities and we'd be happy to work with them on what like they think the administrative costs would be, but I know other states are doing this and you know, I can't imagine that they would extreme.

SENATOR FORMICA (20TH): But there would be a cost?

VICKI HACKETT: I think there would be some administrative cost associated with it, and we'd be happy to have you know PURA oversight over how that is -- of course that would be necessary, right. PURA would have to have oversight over how the information is collected and saved and what the administrative cost would be.

SENATOR FORMICA (20TH): Yeah, I would imagine you will hear from the utilities on this Bill.

VICKI HACKETT: I have already.

SENATOR FORMICA (20TH): And I would also suggest that the administrative costs no matter what they are would be incorporated in any future energy costs as a result of this because they're -- as generous as all the utilities are, I'm not sure they're going to supply the information for free for all of that, so there will have to be some recovery of cost.

But moving on, the older buildings that people may choose to move into or may not to choose into; some
people decide to move into buildings for cost of rent and they give up a little bit in other areas whether it's brand new or older buildings with stucco walls instead of nicely, freshly painted sheetrock, but they pay for that or they choose to do that. And I think the same comes with what the expenses are with those types of buildings.

Similar to another Bill you're talking about, the energy efficiency and we'll get into the restaurant equipment bill that people may or may not have a choice to buy a costly or a less costly piece of equipment as a result of the energy ratings. So I'm just not sure that I understand what the role of government is in saying to every potential renter in the state of Connecticut that we are going to be responsible for your well-being and help you choose what is the best energy expenditures for you to spend in each one of your renters. I think that seems to be difficult for me to grasp that that's our role to do that. I remember when I was young moving into -- you know one of my first homes that I moved into in Connecticut as a renter and it had an outdated coal burning that somebody stuck an oil burner in and it was the most incredibly inefficient heat source forever. And I would go through way too many tanks of oil in a month, which really impacted my ability to go out and enjoy a few libations in the evening. [Laughing] But we had to adjust and take the opportunity to -- the old days -- the old days joke. [Laughing] But my point is that we make choices as a result of that and we move out when we don't -- and I don't know if it's the role of government to be this specific.

And you spoke about the website where we would list this home energy rating.
VICKI HACKETT: The web -- the website is for the Section 1 which is large buildings, over 50,000 square feet.

SENATOR FORMICA (20TH): And what about the residential? I thought I noticed in here something that said there have to be publication on where the rental unit is.

VICKI HACKETT: So if they publish a listing the requirement would be if they published their listening, when somebody calls, if they request the information -- if somebody contacts them about the listing, if they request the information they have to provide it to the person. We didn't make it mandatory in the listing. That was one of the compromises that we put in right up front. In other states, you know those -- like the mandatory MLS section has been what they contemplated, but we knew that that would face a lot of opposition so we didn't.

SENATOR FORMICA (20TH): So if there was no publication, in otherwords I didn't put a rental unit I might own in the newspaper for rent, that's publication or on a website somewhere for rent that's publication. Or a realtor was doing the work of renting the items for -- for me, they might put it in some publication. Then the requirement would apply, but if I put a for rent sign out in front of the building, stuck in the yard like a campaign sign then that wouldn't apply because it's not published.

VICKI HACKETT: I didn't think of that so maybe we need to talk about that.

SENATOR FORMICA (20TH): Strike that. I don't want to give you any more ideas. [Laughing] No, and I'm
just trying to point out some of the concerns that we might have to try to move something like this forward. I think the intent is wonderful, that we're trying to reduce the cost of energy in the state of Connecticut because we spend a lot of our time trying to work on the next generation of energy generation and how are we going to accommodate that at a rate that's affordable to the rate payers.

VICKI HACKETT: Right.

SENATOR FORMICA (20TH): When we get down to this detail I'm not sure that we're going in the right direction managing that, because if I have an older building and someone chooses to rent that older building -- and you're saying it's up the landlords to provide energy efficiency so that their electric bills inside those apartments are going to be less, what am I going to do, start plugging Styrofoam on the outside of the building if there's already insulation in there? [Laughing] If the windows -- if the windows work, yeah. Not to laugh at your Bill, but you get my point. There's only certain renovations and modifications you can do as a landlord, you know once you get it done. So I'm -- and I know that we have a lot of things going on today so I don't want to berate that; I'm happy to talk to you about this offline, but you know my concerns.

And then the other concern with the Energy Efficiency Standards Bill we talked about yesterday in the meeting. Thank you for your time and explaining your position to all of us on that. It's a question I asked yesterday and I'm not sure that I really got the answer. If the energy standards are imposed and if we use the steamtable I think as an
example, and my question to propose probably wouldn't apply to that, right. Because we're not measuring propane. A lot of restaurant equipment for steamtables, hot food items are propane. Most refrigerated items are electric, right. But if that standard were to apply and the cost to apply that standard and create that -- that piece was $300 more than the cost of a piece that did not have those standards that had been previously manufactured to that; one, would they be allowed to buy that lower cost unit or would they be mandated to buy the -- the energy efficient standards as a result of this. And the cost difference; is that measured in your energy savings cost as a net savings to the -- to the business owner.

VICKI HACKETT: So the answer to both questions is yes. So you would -- if you were buying new, a new product you would have to buy the -- you know the baseline, the new standard product. If you're buying a used product that would not be subject to the standards. But also the energy savings that you would get are factored into the information that we provided a payback period. And we will file that information here as well as an amendment to our testimony so that everybody can see that. But yes, we did factor in the incremental cost to the savings that would be achieved from that steamtable for example. So --

SENATOR FORMICA (20TH): So if you're saving $1,000 in a year and the cost of the piece is an extra $500 the incremental savings would be $500 and that's what you've reflected in your cost.

VICKI HACKETT: Exactly.

SENATOR FORMICA (20TH): Okay.
VICKI HACKETT: Julia says yes too, right. [Laughing]

SENATOR FORMICA (20TH): I saw her finger. So thank you very much. Thank you, Mr. Chairman. We'll hold our other questions for our other conversation.


REP. GRESKO (121ST): Thank you, Mr. Chair. Concerning Senate Bill 177, would this be something that would be through the appraisal process and the information, if this Bill were to go, be provided through the appraisal process and I might also add to that, having used an Energize Connecticut evaluation of my home it might create a database that could be done at my address and not necessarily by customer so that you would know what the condition of the individual home would be if we go down that road. But would it be done through the appraisal process, and I -- realtors have to disclose X amount of information now to -- to -- I can just see this being something that can be done through the appraisal process. Not that I want the realtors to jump on me again but --

VICKI HACKETT: And they might over that but [laughing] I mean that would be amazing if we could make that part of the appraisal process, right. We were trying to provide sort of alternatives to a mandatory home energy rating approach that would perhaps be less objectionable by giving the alternative of instead providing the billing information which admittedly is not you know sort of user neutral but still provide some point of reference for customers who -- who -- especially
customers who are living right on the margin. And -- and you know the more transparency we can have the better, but it would be great if that -- if that was part of the appraisal process. It's not currently. We do have a lot that we are required to tell about a house before we sell it so this is just one more thing that we think should be required.

REP. GRESKO (121ST): Mr. Chair, if I may. Concerning 5226, can you give me a practical or -- when I owned a condo my parking space was way over there so I don't foresee an extension cord going from my home across the ground but I also know there are portable solar charges that are now available that I guess could potentially fit into a parking footprint. How do you envision this happening practically?

VICKI HACKETT: So -- you know -- and we've been meeting with representatives of condominium associations and we've had some you know, pretty -- pretty good talks about how we can -- because we know that developments are so different all across the state and the parking state at each development is so different across the state. So I think it's not too different than how we approach let's say public charging with site hosts or workplace charging. Which is, you sort of look for -- in an ideal world you look for you know, how to do the make ready, the electric infrastructure in a way that's the least disruptive and as close as possible to you know, to the -- where -- where the electricity is coming in.

We don't want to end up in a situation where easy owners are getting preferential parking over other owners, but it could be that condominium association
decides to comply by having sort of an area of easy charges that -- that are you know in one section of the parking and maybe that helps guide where the people will park. We want to work with people in building that kind of flexibility to be able to achieve our goals without having an unworkable statute and unworkable requirements. So, does that help?

REP. GRESKO (121ST): Yes, for me. And then I'd be interested to hear -- I will yield to Representative Ferraro because he had asked a question concerning the complaints about SB 5 and since the order changed in 2017 I'm wondering -- I realize the complaints go through PURA but they weren't able to provide whether or not anywhere lodged concerning SB 5 and I'm wondering if DEEP couldn't get that information.

VICKI HACKETT: I'm sorry. Complaints regarding, I'm sorry. Oh, so you're wondering if --

REP. FERRARO (117TH): Through you, Mr. Chair. And thanks Mr. Gresko for throwing me out there. [Laughing] I asked the question earlier that two years ago this was the net neutrality was repealed on a national level in 2018. There was a lot of concern that throttling might take place and other activities that would put our pick preference -- preferential companies and put other companies at risk and there was a lot of concern about it and in doomsday, almost doomsday predictions with the repeal of net neutrality; and I was just concerned over the last two years has there been complaints issued through -- that you know of regarding the throttling taking place?
VICKI HACKETT: Well I will sometimes I wonder if it's going on at my house. But beyond that, I am not aware of any influx of complaints. I think PURA, you know they have a consumer protection division that does intake for complaints so they would probably be you know, the best to answer that. But I do -- I mean I was around when -- when these concerns first arose during that time, and I have to say I don't remember there being any great influx of complaints.

REP. FERRARO (117TH): Thank you. I'm certainly going to be asking that question later on and like they do in Washington, I'm going to yield my time back to the good Representative. [Laughing]

REP. ARCONTI (109TH): Representative Gresko's out of time, so. [Laughing] Representative Cheeseman and then followed by Representative Ackert.

REP. CHEESEMAN (37TH): Thank you, Mr. Chairman. Thank you for coming here today. I too have some questions about SB 178 and I'm looking at the final lines, 834 through 850. 834 through 840 references the Commissioner may test appliances and charge a manufacturer if the cost is a purge and testing of the product and make the information known. Is this something that DEEP typically does or do you rely on commercially available information like Consumer Reports. I'm just curious. I was not aware that among your many talents it was testing washing machines. [Laughing]

VICKI HACKETT: I mean we do -- our air bureau does -- and I'm going to be speaking a little bit outside my experience; they do some sort of compliance on standards that they put out. So I'm not sure the
extent to which that compliance stretches but we'd be happy to get more information about that.

REP. CHEESEMAN (37TH): I'd be curious to know. As I say, you have so many elements of your tasks; whether that was something that routinely happened or you relied upon commercially available information and other agencies.

VICKI HACKETT: I would imagine that we would rely more on commercially available information and other states that have, you know larger numbers of employees working on these issues. But it's sort of a good tool to have.

REP. CHEESEMAN (37TH): Yeah, I'd be curious to know how much that happens.

VICKI HACKETT: Yes.

REP. CHEESEMAN (37TH): And this next section, Commissioner may after making prior notice and at reasonable convenient hours, cause inspections to be made of distributors and retailers. Again, so it envisioned that post the effective date these sort of inspections of Home Depot or Lowe's will take place to ensure that noncompliant appliances are not being sold?

VICKI HACKETT: I think that -- I think DEEP already does some of that with respect to compliance issues again in the air bureau. So I can get back to you with more information on how that works but I'm fairly certain we have, you know I don't think it's something we spend a tremendous amount of time on but it's sort of you know, walk through every now and then and just kind of see how things are going.
REP. CHEESEMAN (37TH): I have concerns about consumer choice being taken away, particularly as -- you know in the house in which I live I eventually had to replace the 25 year old dishwasher and all those things and they may be more energy efficient but boy, they break. And you know I know Consumer Reports says don't take out the extended warranty but my dishwasher which I researched; within six months the wonderful electronic panel was gone. So I think this is something we need to bear in mind. It may very well save you money on your electricity bill but if you're having the repairman out at $150 bucks an hour and parts, that too is a real burden on people who have lower incomes.

VICKI HACKETT: Sure. I agree with that. I think that's universal and I don't think that that is dependent on the efficiency of the appliance. I think that's true for all appliances now. I think that all appliances, new appliances now efficient and inefficient have a much shorter service life. It's something that I've experienced myself.

REP. CHEESEMAN (37TH): Sure, but you may feel slightly less bad if you paid $400 for the dishwasher as opposed to $1500 for the dishwasher which is the super duty -- anyway, we could go on and on about how washing machines break within a week now.

But the other -- the final part of the section, coordinate with the state building instructor to conduct an inspection of newly constructed buildings. What buildings are subject to the state building code? All of them? Every single building? Because I see in the home builders and remodelers testimony that they have concerns about this, that
this might slow down certificates of occupancy that were going to come out and inspect your whole new housing estate.

VICKI HACKETT: We're happy to work with people on those sorts of details, but yes I do believe all buildings are subject to --

REP. CHEESEMAN (37TH): Right.

VICKI HACKETT: All buildings are subject to that so -- but that's something we're happy to talk to you about. One more thing I would point out, most of the residential products in here have very, very low, many are zero, incremental costs. So what we're going to do is with our testimony we'll file an attachment that shows the breakdown of what the incremental costs are on the residential side. They're fairly minimal.

REP. CHEESEMAN (37TH): All right. I'd be very interested to see that. And I do think we do have to take into account as well the commercial costs because as you say, many organizations do operate on tiny margins so this is all part of the mix. Thank you very much for your answers. Thank you, Mr. Chairman.

REP. ARCONI (109TH): Representative Ackert.

REP. ACKERT (8TH): Thank you, Mr. Chairman and good seeing you, thank you. The dialogue has been good so far and I appreciate your answers. I want to continue first with 178, energy efficiency component of it. I did hear a little bit about used equipment so especially in the commercial equipment, caterers, things like that there's a huge market for used and this does not touch on any used equipment so that market is completely left alone.
VICKI HACKETT: Yes.

REP. ACKERT (8TH): Okay. So same with the used market for home you know, a lot of little stores pop up. Used stoves, things like that, people's front yard tag sales, completely left alone in any of the products.

VICKI HACKETT: Completely left alone.

REP. ACKERT (8TH): So this is just for new in-state retail sales.

VICKI HACKETT: Yes, so if we're going to the Amazon question we did some research on that and I think Amazon only ships to state products that are compliant. I'm not sure if that's --

REP. ACKERT (8TH): That's Amazon, but the little company though -- bigger companies, bigger than Amazon. But again, regardless of what some businesses are doing, it is only for in-state retail sales people that this applies to.

VICKI HACKETT: It's in this state and any other states in which it's been passed, yes.

REP. ACKERT (8TH): Your purview is the state of Connecticut. Just making sure that I'm on the right --

VICKI HACKETT: Yeah.

REP. ACKERT (8TH): -- if Rhode Island doesn't have it or does have it or Mass doesn't have it, or I drive to New Jersey and they don't have it; but I'm just saying that this just falls under that purview.

VICKI HACKETT: Yes.
REP. ACKERT (8TH): Okay. Excellent. And so then -- I think that answers all that on 178. Oh, and the compliance component of it actually. So it would be the retail, it would be the store retailer that's selling it that would be the one that would be -- if there was -- if there was a violation in going in and inspecting a store. If they're selling something that's in their store, you know they bought it, they had it maybe a couple years, it's still in stock. They haven't purchased new that year but it's an in stock item, how would that -- let's say you know they bought -- their manufacturer was going out and they had -- they sold -- they bought 100 dishwashers. This goes into effect and they still had ten of those dishwashers left over. This was -- what happens with that stock. And if you went in and did an inspection of that, would there be -- is it a retailer violation, not a manufacturer, just a retailer right?

VICKI HACKETT: Yes, it would just be a retailer violation.

REP. ACKERT (8TH): That's really -- that's who -- so if I went on and bought they mentioned the new home building construction component of it and I went on and I purchased a bunch of residential ceiling fans or something and I'm putting them in these homes that I bought for -- and I bought a bunch of them. And then the state inspector came in -- I would be the -- the purchase -- selling the home would probably be -- if they're selling something that has not -- that has nonenergy efficient equipment in it, okay 'cause I know you said something about state building inspector that was brought up by Representative Cheeseman.
VICKI HACKETT: I believe that was referring to the other Bill I think.

REP. ACKERT (8TH): Efficiency, I think it was efficiency products.

VICKI HACKETT: Oh, inspection of the actual retailers?

REP. ACKERT (8TH): Well the retailers there's the one but maybe I missed Representative Cheeseman's question regarding the state building inspectors and efficiency equipment in -- in the buildings that the state building inspector would -- and all buildings are under the state building inspector purview. So since selling a home would not -- if it is not approved equipment that's in this Bill --

VICKI HACKETT: I think I can answer this simply. If you purchase products prior to the compliance date, which most parts of 2022, so retailers should be able to get their inventory cleared through. You can use that product. We're not going to go into people's homes and tell them that they can't use that product.

REP. ACKERT (8TH): Yeah, I'm thinking -- but thank you very much. I'm trying to unroll that question from Representative Cheeseman so thank you very much for that. And then the data labeling piece. So we've got three layers it looks like. The big commercial, rental sales which I -- rental product which I completely understand that somebody can -- I can see that piece of it, but in the residential side. So I'm putting my home up on the market. In that timeframe, what a lot of people when they're putting their house up on the market they make improvements. So those improvements might not be
captured in the year rollback, and we do have a -- as the good Chairman mentioned, we do have a data privacy bill that might really conflict with this heavily. But -- so when we look at that, that could be a -- you'd have to explain well, yeah I know my model that I did the testing on was prior to me putting in this brand new you know boiler or something.

VICKI HACKETT: Right. And -- and I think -- so there's a couple -- yes, there's a couple answers to that. You're not limited to only providing the billing information, and as a single family home seller you could participate in the home energy efficiency program for only $75 and have a score that reflects the current state. So that's one answer.

Another answer is you can provide the billing data but then say I have since made all of these improvements that will impact the energy costs. So you can always provide more information. It's just sort of setting the baseline of information so that people can make an educated choice. And you know, the biggest impact for this is certainly on our -- our residents with limited incomes. But I think this also has a big impact on people with you know moderate incomes. If they're moving into a house that has really inefficient electric baseboard heating and not much in the way of weatherization they may not realize how much of an energy burden they're going to be facing. And -- you know, or you know -- so yes, I think it provides a baseline of information but you're always free to provide more information that can help sort of explain what the energy usage -- you know how it's been either -- there have been changes made to address it or you
know, that maybe had a tenant for a while that was using more. You can even go back in your energy bills potentially if you have them and provide bills from earlier, so.

REP. ACKERT (8TH): Thank you, and I think that's important especially to the rental side. I think what we find you know we have homes in Connecticut that are very, very inefficient and they come with low rent to offset that. The higher efficiency homes probably have a higher rent so we have this offset. So we're going to have this market of you know, which -- I know in the area that I live that homes are $1700 and $1800 so there's no insulation, there's no -- and the cost to do that you know, it's -- it's obviously very costly.

VICKI HACKETT: And I think it just goes to like pushing the market to disclose as much information as possible so people are making a decision that's educated and that they can say, okay well, the energy costs are high but the rents are low so I can -- I can live with that. But it -- it's giving them enough information to know what they're getting into before they're there, and I think the cost of moving and breaking a lease and the hit to your credit score that could come out of that, that could just be impossible for some people. It can be very expensive to move and you move into a place and then you find out what -- you know that your energy costs are more than what you can afford a lot of people don't have the -- the money left to move again. They've had to save money to be able to afford the moving expenses.

REP. ACKERT (8TH): Well we've been pushing with our Line funds for years. How we -- how do we save our
Lihe funds and spread the money around but we're sell -- we're rent -- we're giving people money when their homes are so inefficient.

VICKI HACKETT: This is one really critical tool to get landlords to the table when they may not have the incentives to come to the table to participate in our award winning energy efficiency programs, that can really help them at a fairly low cost to them and using you know the Smart-E loan for example from the Green Bank to make their homes more efficient, which will help us reach our greenhouse gas goals without you know having the big expense of an electric repair funded program, right. It's sort of a way to push people into the energy efficiency programs without -- using external market forces, so.

REP. ACKERT (8TH): Thank you. Thanks for your answers and thank you Mr. Chairman.

SENATOR NEEDLEMAN (33RD): Just one thing on the appliance standards, although you will not be able to acquire those within the state if we do pass the Bill, my understanding is that there's no effort to update the building code and answer to Representative Ackert; the building official would not necessarily know if that -- I mean you have to update the building code, which is a whole separate issue. So if they were required, I think that they would just inspect normal safety stuff that they would be looking for and not necessarily look at the standards.

VICKI HACKETT: Thank you.

SENATOR NEEDLEMAN (33RD): And thank you so much for your testimony today.
REP. ARCONTI (109TH): Thank you, Deputy Commissioner and her team. Sorry, we have one more. Representative Piscopo.

REP. PISCOPO (76TH): Thank you for coming, I appreciate it. I just need your help in interpreting 178. It's hard to -- I think it's all one big section so I'll just site the line -- the line -- the number 569, that section there where it says your department may adopt regulations in the future. I'm interpreting it to mean that you may add through regulations various appliances and what not. We'll go through a regulation process from this day forward if this Bill were to pass; is that how I interpret that, if we're not going through this statutory process.

VICKI HACKETT: Actually, so what the intention was with that was to say, this would create the baseline statutorily. In the future it removed the shall do regs in the future and said that we may if we see cause down the road to update this again. But what we're looking to do is to put this through statute now and make it applicable now without us having to do additional regs.

REP. PISCOPO (76TH): Gotcha.

VICKI HACKETT: Does that make sense?

REP. PISCOPO (76TH): Yes, it does, thank you. And there's various paragraphs where you are backing up the California regulations and putting in the national standard.

VICKI HACKETT: Yes.

REP. PISCOPO (76TH): You know all these paragraphs from 524, three pages after that. There was an
analysis done I assume with those standards and you thought better of it that we nationalize, that we go to the federal standard.

VICKI HACKETT: As I said earlier, the standard to pass in Connecticut is preempted from our own so it's just clarifying.

REP. PISCOPO (76TH): Oh, it's preemptive.

VICKI HACKETT: Yes, if there's a federal standard, states are preempted from passing their own standards.

REP. PISCOPO (76TH): Oh, thank you very much for that answer. Thank you, Commissioner and thank you, Mr. Chairman.

REP. ARCONTI (109TH): Anytime. Seeing no further questions, thank you so much Deputy Commissioner. All right. So we're going to go back and forth on the public list so Pat McDonnell and then following Pat will be Ryan Garcia from the Green Bank.

PAT MCDONNELL: Good afternoon Representative Arconti and members of the Energy and Technology Committee. I'm Pat McDonnell. I'm the Vice President of Regulatory Affairs for Connecticut for Avangrid, which of course in Connecticut is Connecticut Natural Gas and Southern Connecticut Gas Company. I have testimony today on Senate Bill 179, AN ACT CONCERNING THE GREEN BANK, and Representative Arconti if the Committee will indulge me I'll touch on the written testimony we've submitted in a number of other Bills if that would be okay.

REP. ARCONTI (109TH): We'll indulge you but try --

PAT MCDONNELL: I'll make it very brief. So first of all, Senate Bill 179 AN ACT CONCERNING THE GREEN
BANK. We've worked very closely with the Green Bank. I have a great relationship with Mr. Garcia and the staff at the Green Bank. Our one request for Senate Bill 179 would be that there be some specific language we provided in our written testimony to explicitly note that the Green Bank is not becoming a utility as part of this. I think that would benefit both us as utility in Connecticut as well as the Green Bank for not becoming a utility.

Senate Bill 175, AN ACT CONCERNING ELECTRICITY SHUTOFF NOTIFICATIONS. We've been working very closely with folks at PURA and the Attorney General and OCC's office on this one. We do use electronic means today. We call our customers prior to shutoff just as a reminder, however, we're sensitive to the concerns about consumer protection so we certainly look to work with them to make sure that any messaging we send to our customers could not be used as a -- as a tool for scammers.

Senate Bill 180, AN ACT CONCERNING CALL BEFORE YOU DIG PROGRAM VIOLATIONS. We understand the concern about making sure that the systems marked out. We want to make sure our facilities aren't hit as a result of other's activities. We just think that before we're subject to fines that it be important that there's some consideration for delays that may occur from weather or other factors prohibiting us from getting out in a timely fashion.

Senate Bill 5255, AN ACT CONCERNING CONSUMER PROTECTION FOR CUSTOMERS AND SUPPLIERS. We applaud that effort and feel if folks are seeking lower cost energy they should be protected from scammers or other factors.
And Act -- 5227 AN ACT CONCERNING DISTRIBUTED ENERGY RESOURCE IMPROVEMENTS. We're supportive of that. We just want to make sure that we have cost recovery in that Bill. A couple of other Bills that I'll touch on is House Bill 5223, AN ACT CONCERNING VOLTAGE STANDARDS. We support that. The current minus five plus three limits what we can do before we need to charge customers who want to put solar PV installations in and this would provide more flexibility before we need to do that. We're supportive of vehicle charging, we're supportive of energy efficiency appliance standards. And our only concern about the energy consumption and data labeling is it looks like most of that requirement would be on the building owners. We want to make sure to the extent that there were requirements placed on us. We don't necessarily know if it's a multi-family dwelling or what the square footage of the building is, so if we had to start to collect that data and create a database we want to make that there was cost recovery mechanism provided for those additional costs.

With that, it concludes my testimony and I'd be happy to answer any questions about any of those or anything else you might have.

REP. ARCONTI (109TH): Thanks Pat. Thanks as always for your expertise. Just one quick question with the shutoff notifications; is there a reconnect fee that UI imposes?

PAT MCDONNELL: I believe there is. I don't know what that is offhand, but there's a -- there's a small fee associated with reconnection.
REP. ARCONTI (109TH): Is there a separate emergency? If someone needs an emergency, is there a separate increased fee for emergency reconnect or?

PAT MCDONNELL: Throughout automatic metering system that we have deployed in our area it's almost instantaneous. So I believe there's no --

REP. ARCONTI (109TH): No separate --

PAT MCDONNELL: There's no need for us to roll or actual go physically reconnect the customer. We can do that with the tap of a button.

REP. ARCONTI (109TH): Okay. That's all.

PAT MCDONNELL: And I think the fee is in the -- I can let you know. I think it's $12 or $13 that fee.

REP. ARCONTI (109TH): That's the only question I have. Senator Formica.

SENATOR FORMICA (20TH): Thank you, Mr. Chair. Good afternoon, sir.

PAT MCDONNELL: Good afternoon.

SENATOR FORMICA (20TH): With regard to your comment about the administrative fees for providing electric bill history.

PAT MCDONNELL: Yes.

SENATOR FORMICA (20TH): I thought you said that the -- your understanding was that the landlord would be responsible for most of that, but the landlord from my understanding from the Commissioner when she spoke, would have to get that information from someone in your office.

PAT MCDONNELL: That's correct. So we provide customers today with their billing information,
residential customers we provide that through something called Green Bond where you can download your data. Commercial customers who have worked a lot of municipalities to set up portfolio manager accounts 'cause we don't necessarily know what the buildings are so they can put the building information in and they can track their usage. But if it was a multi-family situation the building owner would need to either go to the tenants to get the information or get it directly from us. So I think there would likely be some administrative costs associated with us be involved in this program. Hard to say exactly what that might be.

SENATOR FORMICA (20TH): Which would be recoverable from your position.

PAT MCDONNELL: Hopefully. And I think again it would add to -- that would be something that would add to the cost of electric service in Connecticut.

SENATOR FORMICA (20TH): Right. That was my point trying to get to. The other thing is, I understood it to be if the tenant moves out, you have a vacancy. Could be a week, a month, two months; the next applicant for residency in that apartment would be entitled to a history and I'm not sure I heard whether the history was a month, two months or a year of the past electric usage for that particular apartment, whether it was a single family home, a dup -- three family or 30 family. And that the landlord would then have to find that information somewhere, I'm not sure. Outside of where -- calling you and saying, what was the history on apartment B on this address?
PAT MCDONNELL: They would likely call us and we'd have to then make sure that we had that available for that specific address.

SENATOR FORMICA (20TH): Yeah, and then if this legislation were to pass in this form, you would be required to have it if that -- that -- there would be no other way for a landlord to get it, correct?

PAT MCDONNELL: Correct, that's correct.

SENATOR FORMICA (20TH): All right. So I -- I've had experience with an electric utility trying to understand billing with five accounts on one building where there's a garage rented and three or four apartments and trying to understand which was the responsibility of the landlord, which was the responsibility of the tenant. I couldn't get tenant information unless my name was on the Bill.

PAT MCDONNELL: That's correct. That's our current practice.

SENATOR FORMICA (20TH): So would that hamstring any requests for information for a landlord to ask for someone's information whose moved out and no longer --

PAT MCDONNELL: Well I think today it would. So how this Bill would intersect with consumer privacy laws would be something I think the Committee should pay close attention to because I think that would be the challenge where we wouldn't want to be in a situation where we had to determine whether it was confidential or whether it could be released or not. And I think that's for the residential customers.

Many of our commercial customers are very careful about -- and get very concerned about who has their
electric consumption information because it could be direct correlation to the production in their facilities. So there's a lot of privacy concerns that I think need to be respected here.

SENATOR FORMICA (20TH): And the commercial application of this Bill relates to buildings in excess of 50,000 square feet. So if you have a commercial application with a dozen buildings on it, or in excess of 50,000 square feet someone in the business would have to be able to get control of it and then they would probably have to call --

PAT MCDONNELL: They likely will call us.

SENATOR FORMICA (20TH): Get information. So while this may be -- have good intentions, it seems to be someone impractical or difficult to put into practice I think without incurring more costs and --

PAT MCDONNELL: I think it's safe to say there certainly would be additional incremental costs associated with us creating a portal or database, some means to help track all of this information.

SENATOR FORMICA (20TH): All right. Thank you very much.

PAT MCDONNELL: Thank you.

SENATOR FORMICA (20TH): Thank you, Mr. Chairman. Representative Ackert.

REP. ACKERT (8TH): Yeah, just a quick follow-up. Thank you for being here. So right now if I wanted to find out anybody's information, any facility, commercial, residential tenant space I don't have access to somebody -- I don't have the right to that access or that information, correct? For electric -- for any energy consumption.
PAT MCDONNELL: That's correct.

REP. ACKERT (8TH): I'm making sure that that's --

PAT MCDONNELL: It has -- we would provide, like I said, we would provide that to you as the customer. We want to make sure you have access to your information, you have a history, you can look at your consumption because that's a very important tool for customers to control their costs. But if someone else wanted to see it, no, it's your confidential information. You have to consent to release it.

REP. ACKERT (8TH): Thank you, I appreciate that. And I'm an Eversource customer so I get my year -- I can get my -- I can look at my yearly and then they tell me how bad I'm doing with my neighbors and so you know I can say, my neighbor is doing better than that so I've got to work on mine. [Laughing] I get that already as an individual. You've been reached out to start -- to come up with numbers that just may cost for this legislation if we need -- if this process were to move forward.

PAT MCDONNELL: I don't believe we've gotten any formal requests to do that.

REP. ACKERT (8TH): And then the last question on the shutoff situation. What is the process when you guys shutoff? Is there a timeframe between someone's you know, last bill they didn't pay? What is the -- what is the timeframe that an individual would fall under getting shutoff?

PAT MCDONNELL: I believe there's very specific criteria and there's very specific requirements that the regulatory authority has laid out. I don't have the time intervals memorized unfortunately but I do
know we have certain requirements that mail letters to the customers notifying them. And one of the practices that we've implemented; it's a little different than Eversource's, we actually -- when a customer is behind, when they get that shutoff letter we also call them and say, hey, you got a shutoff letter. We want to make sure you saw it and you're at risk of being shut off. You should do what's in the letter. We found that -- we've gotten actually a fairly good response from that because customers maybe aren't paying attention to their mail or they're away, so we've had good success doing that. It's not in our best interest to shut customers off. We want to find ways to help customers manage their consumption and maintain their service so we're looking for new tools on how to do that.

We are respectful of the position that there are a lot of people out there that call you, want to sell you an extended warranty on your car, want to sell you a variety of things and we want to make sure people aren't subject to a scam, so we're sensitive to that but we want to make sure people have the information.

REP. ACKERT (8TH): Thank you. And that phone all is a requirement that you kind of self-impose?

PAT MCDONNELL: It's not a requirement. It's something -- it's a business practice that we found had value.


PAT MCDONNELL: Yep.

REP. ACKERT (8TH): Thank you, Mr. Chairman.

SENATOR NEEDLEMAN (33RD): Thank you. Would it be possible for you to document out exactly what your process is with regard to shutoffs?

PAT MCDONNELL: Certainly.

SENATOR NEEDLEMAN (33RD): All the notifications, you know do you include it in a bill, do you send a separate letter, at what point do you actually shut off and the auto reconnect electronically. I've not sure Eversource has that capability or not but that sounds like it's a very efficient way to deal with it.

PAT MCDONNELL: I won't speak for Eversource, but I don't believe they do. And if we have someone here that can address that question, and yes I think it's -- it's one of the -- you know Chairman Gillett spoke before about the modern efficient electric grid and we feel our mirroring system is a -- is a key foundational part of that modern grid.

SENATOR NEEDLEMAN (33RD): So -- just to clarify one more thing. If indeed there is a shutoff, you do not have a two tier reconnect system where I all you and I say, I need you to turn it back on, we make arrangements, and you say it's going to be tomorrow morning. But if you want it on in the next hour, it's going to cost you more money; you don't have that?

PAT MCDONNELL: No, no.

SENATOR NEEDLEMAN (33RD): Okay. Thank you.

REP. ARCONTI (109TH): Representative Ferraro.
REP. FERRARO (117TH): Thank you, Mr. Chair. And to follow-up on the Senator's question. I have a small business and when I get really, really busy on occasion sometimes I do fall behind and I have had my electricity shut off one time by UI. Unfortunately when they do shut it off it's often times happens in the middle of the winter and I teach kids karate and a lot of times there are 5-year-old kids that have to come in and the weather is very cold and it's unhealthy. And by the time, on the back end getting it reconnected sometimes two and three days. I'm just wondering is there a way to shorten that up because you know sometimes people honestly get caught up and you know they want to make -- make restitution and get it paid and get turned back on but you know sometimes the inconvenience of waiting two or three days in a business that caters to young kids can be you know very hurtful to the business.

PAT MCDONNELL: Yeah, I'll -- I apologize for that Representative Ferraro. I'll look into that. I'm very surprised that it takes two or three days because --

REP. FERRARO (117TH): Excuse me, I don't know that it always takes two or three days 'cause it only happened to me once, but it did take me two to three days to get it turned back on.

PAT MCDONNELL: Yeah, I'll look into that but my understanding is once the customer has made payment arrangements it and be done almost instantly.

REP. FERRARO (117TH): All right. Thank you.

REP. ARCONTI (109TH): And just one more quick question on the Call Before You Dig. If we're able
to work through some of your concerns with PURA regarding some of the reasons why you know, there may be a delay. You know you mentioned in your testimony whether police support was being required, would you support -- do you support the underlying concept of what we're trying to do if we can address some of those delays?

PAT MCDONNELL: Yeah, I think you know currently we use all our own internal resources so I don't think the way the Bill is framed will impact us negatively. We just want to make sure that -- you know currently we have two days to mark out facilities -- we want to get the facilities marked out but sometimes situations like weather, police protection being available make that challenging. So I think the underlying objective for PURA, I think we don't have an issue with. It's just to make sure that the timely wording there is sufficiently addressed.

REP. ARCONTI (109TH): Okay. Seeing no further questions, thank you.

PAT MCDONNELL: Thank you.

REP. ARCONTI (109TH): Bryan Garcia, President of the Greed Bank and following Bryan will be Robert Manning.

BRYAN GARCIA: Co-Chairs Arconti and Needleman, Ranking Member Ferraro and members of the Energy and Technology Committee, good afternoon. My name is Bryan Garcia. I'm President and CEO of the Connecticut Green Bank. I'm joined today by Matt Macunas, an Associate Director at the Green Bank and Mackey Dykes, our Vice President. We're here this afternoon to express our support of Senate Bill 179
and House Bill 5228. With regards to Senate Bill 179 we're proposing two things.

First, there are technical fixes with regards to governance. During the 2016 legislation session the passage of Public Act 16-212 explicitly removed an Ex Officio nonvoting position from the Board of Directors. However, there was no conforming change in the same statutory subsection referencing two instead of one in line 231. Also for one of the four appointments by the Governor there was no term limit in the original statute passed in July 2011. We proposed a four-year term in line 253.

Second we're proposing that specific language be included in the Green Bank statute referencing our ability to borrow from the USDA. You will note that currently the statute allows the Green Bank to access any federal funding sources in lines 185 to 186. In our deliberations with various federal agencies over the past several years we believe that specific language like what is proposed in lines 167 through 172 with the focus on the USDA will strengthen our ability to access federal funding once we apply for those resources.

Last April we did receive from the USDA Rural Utility Service that one, specified what rural geographies qualify for federal funding. And two, that the Green Bank is eligible to become a borrower and apply for financial assistance under the RUS Electric Program.

With regards to House Bill 5228 we're seeking some progress process streamlining and clarifications as well as an expansion of the scope of what CPACE can support. First, with regards to streamlining and clarifications we propose the following. We propose
to give the Green Bank the option to centralize the billing and collection processes and remove the burden on municipalities. We propose that the benefit assessment liens could be assigned directly to third party private investors instead of having the Green Bank in the middle, reducing the need for legal documents and less paperwork for municipalities. And we propose to clarify that savings are based on expected rather than actual savings, including associated savings for benefits like tax credits.

Second, with respect to expanding the scope of CPACE we propose to include refueling infrastructure for zero emission vehicles and we propose exempting such investments on the property from the savings to investment ratio because EB Chargers for example add additional electric use to a property rather than reduce it like other eligible CPACE measures. And we propose to include resiliency. Resiliency is not currently supported by CPACE in Connecticut, but it is in California and Florida to protect property owners against hurricane a seismic activity. Based on the draft language in the Bill we would offer a different definition for consideration than what the LCO has provided. And even though we propose to exempt resiliency from the savings to investment ratio, we'd like to track resiliency savings as part of the program for things like reduced insurance premiums for example so as to try and eventually get to a point at which resiliency improvements have a savings to investment ratio greater than 1 as is the threshold for energy improvements.

The Green Bank supports Senate Bill 179 and House Bill 5228 and we'd be happy to take any questions that you might have on our testimony.
REP. ARCONTI (109TH): All right. Thank you, Bryan. And thank you for all the work that you guys are doing over at the Green Bank. Just a quick question on the 179, would you amendable to -- I think we did this last year. Just a matter of clarifying the language does not define or the Green Bank as a utility.

BRYAN GARCIA: Yeah, I think the basis of where that comes from, just to get some context is we are really following Vermont's lead with the USDA. Several years ago the Vermont Energy Investment Corporation which is a 501-C3 in Vermont that manages Efficiency Vermont. It's a third part administrative of efficiency funds in Vermont. They actually applied to the USDA and the USDA said, well you're not a utility. You don't serve electric rate payers. And they said, well we actually -- for the next ten years our third party administrators of these efficiency funds and the Public Service Commission of Vermont essentially wrote a letter saying that VEIC is a sustainable energy utility on behalf of Vermont, meaning they're serving our energy efficiency interests.

So that really had weight in terms of carrying the decision of USDA. We subsequently met with them and they expressed that sentiment to us. We went through some of the language changes last year. They liked it. I think the provisions that's in there I think will be -- they'll look at that favor. So happy to look at you know whatever language -- we're not a utility.

REP. ARCONTI (109TH): All right. Senator Needleman.
SENATOR NEEDLEMAN (33RD): Good morning and thank you for coming. I -- you know I support the idea of the USDA. I've done business with them in the past in Essex, different organizations. They're a great group to work with and I think they would expand your funding options.

I have a question. You mentioned some technical changes to the governing structure of some board members. Just in a quick perusal of your audit there were a number of items mentioned. Do any of them require any technical fixes to legislation or were they all just internal oversight and improved?

BRYAN GARCIA: No, with regards to that audit -- so we've taken a look just to provide context -- the auditors of public account every two years assess every quasi-public organization. They issued their report -- I think it was in July last year for fiscal year 16 and 17. There were various findings. One of them had to do with this governance position that you know, when they look at the statute and they don't see the fact that there are two Ex Officio non-voting members on the board, they stated were not in compliance with the statute. When in 2016 through that public act that I mentioned, 212 Connecticut Innovations was removed as an Ex Officio non-board member, they served administrative purposes only role for the Green Bank in our first five years. Then in 2016 they were removed explicitly as a member of the board, that nonconforming change up top from two to one didn't happen. So that's the requested change.

But with regards to some of the other audit findings. We had an extensive audit compliance and governance committee meeting on the entire report
and staff followed recommendations from the board how we were going to handle all of those different recommendations. There were a number of different ways. I'm happy to provide you with how we handled them.

SENATOR NEEDLEMAN (33RD): Yeah, I just want to be clear. I didn't think that any of them were that onerous. They require some changes; however, my other question is to comply with what the auditors are asking, do you have adequate staff allocated to doing that kind of financial management?

BRYAN GARCIA: Yes, yeah, yeah, yeah, yeah. I mean just to give an example. One was the reporting requirements that we had failed to meet the quarterly requirements for financial recording with the office of fiscal analysis and then human resource analysis. In looking back we actually sat down with a -- we had been filing an old spreadsheet that's been around for years when we've actually automated our financial system, so I can get right now 24/7/365 days a year where we are against budget to actuals. So we sat down and said well if we printed up for you this report, does this comply to what you need and they said yes. We said, okay, and so now instituted an immediate copy print. We were using an old antiquated system. It just forced us to think about what are we doing, what are using here and caused us to get better. So we think what the APA did is helping improve our processes and we're all about that.

REP. ARCONTI (109TH): And just -- you don't need to necessarily answer this now. We can continue the conversation off line. I just wanted to point you to the CCM testimony because I don't have them --
they didn't sign up to testify. They were asking for amended, substitute language for CPACE participating municipalities with financial compensation with 20 percent share of interest earned on each benefit assessment associated with each qualifying improvement project in such municipality. I just wanted to bring that to your attention and we can continue that you know, offline and figure out if there's a way to sort of work with CCM on that concept.

BRYAN GARCIA: Happy to.

REP. ARCONTI (109TH): Great. Any other? All right. Seeing none, thank you. Thank you so much.

BRYAN GARCIA: Have a good afternoon.

REP. ARCONTI (109TH): So I don't believe Todd Manning is here so we're going to go to Senator Fasano on the public officials list. Following Senator Fasano will be David Sutherland. Sorry, Senator.

SENATOR FASANO (34TH): Thank you, Mr. Chairman. Chairman Arconti, Chairman Needleman, Ranking Member Ferraro. Thank you for having us. Representative Yaccarino from North Haven and myself are here to talk about a Bill that would allow public access to charge other than just cable access. Walter Mann runs the public access in North Haven, and he is our guest to sort of tells us front lines as to why this is so important to a public access channel that we all need in our communities, and I'll turn it over to Representative Yaccarino.

REP. YACCARINO (87TH): I'll be very quick. Thank you to the Energy and Technology and Senator Needleman and Representative Arconti and the whole
Committee. Local access is so important. We use it for education purposes and government purposes to inform the public what we're doing. So with that, Walter Mann has done a great job in our town and we'd like for you to listen to him so thank you for your indulgence.

WALTER MANN: Thank you, gentleman for allowing me the opportunity to speak. I am Executive Director of NHTV in North Haven but I'm also the Station Manager at BC-TV in Branford and at Nantucket TV in North Branford so three separate public educational governmental access entities and I'm here to speak on Raised Bill 176 and I'll be quick. Just two points basically.

I want to talk about -- a little bit more about what Dave had mentioned about the value of paid government and community TV. As a result of continued deregulation by the federal government and the telecommunications industry we've seen a drastic reduction in local content and broadcast radio and television including the elimination of most FCC required public affairs programming. All due to large companies gobbling up hundreds of radio and television stations, thus eliminating local ownership, influence and interest. Now the FCC is proposing additional rule changes that threaten the future of local PEG community TV stations, all while continuing to allow giant media mergers. Technology advances have also decimated local print media, as we all know, another source of localism.

But, PEG community TV stations are a bright spot in Connecticut as they fulfill much of the void left by the lack of localism on broadcast stations, by televising important local events, local government
meetings, and programs hosted by State and local officials. With the exception of the excellent work done by CTN-The Connecticut Network, LOCAL PEG Governmental access TV stations are really the only TV stations that air many programs featuring State Legislators like you, which allows the public to have greater recognition of those elected officials as candidates when it comes to Election Day. Local broadcast TV stations give very little coverage to the goings on at the State, and especially local governmental level.

I will add to the stations I represent have had a large number of our high school and college interns go on to careers at NBC, ESPN, A&E, HISTORY, WWE, and many other networks.

The final item I want to touch on is really the main event of this raised Bill and that is the use of public rights of way. In the 1970s, cable TV companies now called MVPDs in attaining their state-required franchise certificates, agreed to fund PEG access TV with an adjustable annual dollar amount based on the number of subscribers receiving their TV services over those public rights of way. That's of course land on which telephone poles carrying cables providing cable TV service sits. Over the years, MVPD’s started to offer additional services, such as internet, over those very same cables that are within public rights of way. Now, these days, you probably heard the term cord cutters, but the number of cable TV subscribers continues to decrease, the number of internet subscribers increases as the public opts for services such as Amazon, Netflix, and over the top services. So, the bottom line is any subscriber or paying customer to an MVPD who receives services whether cable TV or
internet over those same lines within public rights of way, should ALL count as subscribers. Remember, local PEG community access TV stations already have begun offering their content for viewing over the internet on PEG station websites, YouTube, Facebook and other platforms, and a majority of this content is streamed live as well for all subscribers to have access to. Counting all MVPD customers as subscribers is correct as the same content we offer on our cable TV PEG channels, is also available on internet-based platforms, available to all internet subscribers.

I ask you in wrapping up to support local community TV stations and our survival. What is happening is as those cable subscribers decrease our funding is decreasing and at some point it's -- it's going to be next to nothing or nothing. So the way to allow us to survive is to count all customers that receive services, not just cable, on those same wires.

I ask you to support Raised Bill 176 to help us continue to offer the local information to your constituents and your voters. And I do thank you for allowing me the opportunity to speak today.


SENATOR FASANO (34TH): I was just going to say, essentially it's the evolving technology forcing these people out of business. Their source of revenue is decreasing as the volume -- and this Bill would update and make a change to keep up with the changing technology.

REP. ARCONTI (109TH): Yeah, thank you. And I do agree with that for sure. Sometimes we in government we can't keep up with how fast the world
is changing outside. PURA wasn't able to -- more of a statement than a question, PURA wasn't really able to give much in the way of testimony on this because they do have that open docket around this, specifically trying to address the same issues that the Bill is trying to address and I just wanted to point to everybody their taking written comment until March 17 so it looks like so not only come here and testify, submit written comment, but please make sure to submit you know written comment in that open docket 'cause it looks like they're going to come to a decision on that docket no later than July 11 of this year. So just another avenue for all the advocates around this issue as well. Any other questions? Senator Formica.

SENATOR FORMICA (20TH): Thank you, Mr. Chairman. Good afternoon. Thank you for your testimony. The mechanics of how this work; right now the cable companies are paying based on a prescriber but most of the cable companies house the public access in their facilities, don't they? Or is that changing.

WALTER MANN: Actually that's the -- it's the opposite. Two things. One with regards to the funding, the way it works and a lot of people don't understand this. The cable companies are not paying with their money. They're collecting about $8 in change per year from each cable TV subscriber. Those funds are funneled through the cable company and dispersed through the recognized PEG stations on a quarterly basis.

And as far as housing the options, the balance is probably 70/30. There are more third party nonprofits like the one I represent than there are cable -- you know cable company run facilities and
you'll see if you were to look into it, that the level of activity at third party centers, whether it's programming or internships or what have you is much higher than what you would see at company run facilities.

SENATOR FORMICA (20TH): Thank you very much. So the fee that's added to the cable bill before the subscriber gets transferred over; should this Bill become law? The cable companies often times bill for internet services as well as cable services. So would the -- would the mechanics of it just be shift the fee, the dollar per year, whatever the number was to include internet service fees as well.

WALTER MANN: You would think it's a very simple accounting endeavor overall because instead of just, you know levying that $8 and change annual fee over multiple -- whatever few cents it is a month just so cable subs it, would be through all their subs. And remember too, we are, contrary to a filing that did get submitted in the last day that said we were -- the programming we and other nonprofits or other access stations airs is not available on other platforms. I just mentioned, it's on multiple internet platforms. So you know, to say that is incorrect. Basically the people getting it, you know on the internet would also then be paying like the folks that get it over cable.

SENATOR FORMICA (20TH): And then just to follow-up. The cable company then would still continue to pay the same way it did; it would just pay on more --

WALTER MANN: Yeah, we would not --

SENATOR FORMICA (20TH): It doesn't change the whole system, it just adds --
WALTER MANN: Kind of a blanket fee instead of just for cable TV subscribers.

SENATOR FORMICA (20TH): We could argue the benefits of having those of us on TV espousing our views [laughing], however we won't go there. We thank you. We understand your dilemma and hopefully we can work on it.

WALTER MANN: If I could just add one thing. I mean there is going to be a day unfortunately; there will probably be no cable TV in the traditional sense and then we will be dead so that's why it's important to change this now so that we're ahead of the curve and we survive.

SENATOR FORMICA (20TH): Well thank you for your testimony and your good work coming up. Thank you.

REP. ARCONTI (109TH): And I did want to make a joke at the expense of Representative Ackert but he's not here, so I'll hold it. [Laughing] Okay, back to the quick list, David Sutherland followed by Senator Duff. Then following Senator Duff will be Robert LaFrance.

DAVID SUTHERLAND: Thank you. My name is David Sutherland. I'm here today on behalf of The Nature Conservancy, and we also support Bill 5226, the ED Charging Bill, but I'm going to devote my testimony to the written testimony I submitted on 5228, the CPACE Bill and particularly the program to include resiliency measures and zero-emission vehicle refueling infrastructure. Connecticut’s CPACE program has been one of the most successful in the country, enabling commercial and industrial businesses to obtain affordable financing in order to save money on energy efficiency and renewable
energy upgrades to their properties. The program also fosters job growth. It is our understanding that there have been no defaults on loans under the program.

This proven program should be expanded to help Connecticut meet two urgent needs, enabling our businesses and communities to enhance protection of their investments by better preparing for sea level rise and storms, and lowering our greenhouse gas emissions from transportation. We recommend that the definition of Resiliency on Line 13 be more precisely crafted. The current definition to withstand natural, technological and human-caused hazards could be interpreted, for example, to include the installation of a security system. Connecticut’s communities are extremely vulnerable to coastal and river flooding and storms. Sea levels do not rise consistently around the world. Ocean currents, land uplift, and other factors cause variations across the globe. Unfortunately, the Northwest Atlantic coast from Virginia to Maine has had some of the largest increases in the rate of sea level rise on the planet. According to the U.S. Geological Survey, between 1950-1979 and 1980-2009, SLR rate increases in this northeast hotspot were 3-4 times higher than the global average.

Sea levels are not only rising in Long Island Sound, but the rate of rise is increasing. Calculations of a rolling 10-year average of mean SLR in New London, as measured by NOAA’s tide gauge data, show a significant recent acceleration of the rate of rise. Compared to the average annual rate of rise from 1938 to 1988, the rate of rise between 1989 and 2012 tripled. These rising seas by themselves threaten
our coastal roads, septic systems, and other infrastructure, and now routinely flood areas that only occasionally flooded a few decades ago. They also, however, give storm waves a higher water platform from which to launch themselves into coastal neighborhoods. Storms Irene and Sandy, as destructive as they were, only gave a hint of the damage a ranked hurricane would do. A direct hit on our shoreline by a Category 3 hurricane would do more to devastate our shoreline, our riverside communities, and our economy than any other event in our lifetimes, other than a war within our borders. So we've got to be doing measures that are going to help our businesses and our municipalities and this is one thing this Committee do is to help our businesses prepare. Thank you.

REP. ARCONTI (109TH): Thank you, David.
Representative Steinberg.

REP. STEINBERG (136TH): Thank you, Mr. Chair. And David, thank you for testifying today. I think you make a very valid point which is -- we've heard a lot of testimony over the years, what could one small state like Connecticut do? What can an individual do to combat climate change and here you are offering us something tangible, something which we know works in other context and this is something we can get behind. Let me ask you a question. We've had a CPACE Program on the books and it has not really been that successful. Do you have any insight as to why it hasn't been up to this point and what we need to do differently?

DAVID SUTHERLAND: Well first of I think it -- it certainly has had some success. It has funded quite a few projects but I think we need as many
strategies as possible. CPACE is not a silver bullet and I think we need -- at least in the case of resiliency, which this Bill talks about; we're going to need more design capacity, more access for business owners to work with engineers. Engineers are starting to get more and more experienced on how to do the types of resiliency projects that -- sort of what we advocate, work with nature, work with dunes, help the marshes and help protect neighborhoods and communities from storm surge. So we're going to need more design work. We're going to need more access to planning dollars, especially for municipalities. And this -- CPACE could be one strategy, just as it's been in the renewable energy and energy efficiency world. It by itself again is not a silver bullet, but I think it has played an important role I would maintain. I think we've had one of the more active programs in the country for CPACE. So at least the statistics I've seen.

REP. STEINBERG (136TH): Mind if I follow up quickly? You raise a good point in terms of -- well there's upside. But I think one of the factors that we've had to content with is we need to educate people at the municipal level, planning and zoning departments, conservations departments, developers, renovators. I had a Bill a few years ago in Environment to create a working group to talk about green buildings along those lines. We can certainly incorporate some of the things you brought up with regard to resiliency, green roofs, the right kind of windows, the right kind of lifting of buildings. Would you agree that we still have as another component of this effort, the need to make sure everybody understands that there are options, use of materials, best methods. So there's the things we
can do with buffers and things of that nature but there's also the sort of the whole nature of how we build resilience into buildings themselves.

DAVID SUTHERLAND: Absolutely. I think CIRCA, the group down at UConn has been doing some really good work on those efforts. I'd say that my organization has been doing some very good work. But we're actually, our office in New Haven is under contract with the state of Massachusetts. We've been doing a very comprehensive program of training of all the coastal communities in Massachusetts and some inland river communities as well and we're now under contract with Rhode Island to help them as well. And we think that kind of real comprehensive sustained effort is necessary in Connecticut as well. Town officials change so you know there's turnover there, and residents become aware at different times. And so yeah, I think we've got to do a lot more education.

And I hope it doesn't take another serious storm to heighten the attention on this issue. We were wondering back in 2010, how can we get people to pay attention to this and then we have Irene and Sandy. And as serious as those were and as much destruction that they did, they were only a hint of what a major hurricane would do.

REP. STEINBERG (136TH): I agree. And it is evident that we have very short memories and I hope you're wrong that it would take another catastrophe before we get serious. Thank you, Mr. Chair.

REP. MESKERS (150TH): Thank you. I was in another Committee meeting. I think one of the things we're going to need to have to look at going forward is going to be -- and there's always opposition to
state mandates, and I would look at unfunded mandates at least to the towns. One of the things I think needs to be brought under your -- under the oversight and consideration is how the state commits to the rebuilding of the infrastructure and how the state conditions some of its infrastructure financing, whether it be for municipal sewage treatment plants, whether it be the road beds and bridges, because over the next 50 years if I listen to what I'm hearing from climatologists, we're going to be a lot of places under water. So I think resiliency is part of the game but if you're expecting municipal planning to encompass what we're concerned about I think the state and its guidance is going to be what they're willing to rebuild and repay and repave, is going to be part of that messaging so I think that's part of the message that's going to have to go out. And maybe it's going to require four or five years of development. But the issue of where we're going to use our state resources to protect the coastal environments, to build the resiliency, and where we're going to have to look to pull back slightly. So not that we're mandating people to pull back but that financial burden is born by the individuals who make the decisions that they want to live right, you know under water presumably in another five or ten years or fifty years, and I think that's part of what's important.

DAVID SUTHERLAND: Yeah, absolutely. I agree. But I guess what I would return to is what this Bill offers is a chance, one more tool, again not a silver bullet, but one more tool we can offer to local business owners to at least protect themselves in the meantime. Maybe 30 years from now they've
got to be away from their current location, but we need their business right now. And this is one measure that can help some business owners address that right now.

SENATOR NEEDLEMAN (33RD): Thank you, John. So as a First Selectman, putting that hat on for a minute; I know how desperate we got during Irene with all the dead trees that fell, estimates a category 3 hurricane would take down 80 percent of the trees in their path and I'm not sure that people can wrap their head around that. But 80 percent of their trees in a wooded state, you know, in 1938 when we had a category 3 it was pasture land most of the state. Now these are all developed, matured and dying forests. We would have a catastrophe. People would be out of electricity for a month or two at least. So we need to be more resilient not only because of climate change but because if nothing bad was happening climate wise, just the potential for a bad hurricane could be devastating or a bad blizzard or a wet snowstorm. A couple years ago the early March storm where a few back, or October surprise were devastating.

DAVID SUTHERLAND: Army Corp of Engineers Official in this building back about five or six years ago showed a picture of one of those huge construction dump trunks and he said if we had a category, a storm like the 1938 hurricane hit Connecticut now it would take 2.5 million truck loads to cart away all the debris. So we're not going to be able to prepare for everything and protect against everything but I think small steps that we can take, different projects we can take, they're better than doing nothing and every dollar that we spend now or
help a business owner spend now is going to prevent a lot more expenditure when a storm does hit.

REP. ARCONTI (109TH): All right. Seeing no further questions, thanks for your testimony. Senator Duff. Following Senator Duff will be Robert LaFrance and then following Robert will be Senator Christine Cohen.

SENATOR DUFF (25TH): Good afternoon members of the Committee, and thank you for allowing me to testify on Senate Bill No. 5 regarding Net Neutrality. You have my written testimony which I won't read to you. I just want to make a few comments on the Bill if I could. The draft Bill contains three main components. It states that internet service providers in Connecticut shall not block lawful content, will not prevent ISPs from blocking -- prevent the ISPs from blocking websites. It will not -- it shall not throttle, prevent ISPs from slowing down your internet speeds and should not engage in paid prioritization which protects companies in Connecticut from having to pay their content delivered to the consumer.

In addition the Bill requires ISPs to register with the Public Utility Regulatory Authority. Complaints -- violations are investigated by PURA. I believe that this is a -- Net Neutrality is a great equalizer for small businesses and large businesses and if some of you remember, our two Chairs and our Ranking Member who are here; remember with Austin McCord came up from Norwalk, which is one of our great success stories in Connecticut and talked about the need to have Net Neutrality principals in the state of Connecticut. We know that other states have also engaged in Net Neutrality. The Washington
in Washington state passed in a bipartisan fashion 35 to 14 in the State Senate and 93 to 5 in the State House. California in 2018. Oregon actually prohibits public buyers from contracting with ISPs that engage in certain network management activities based on paid prioritization, content blocking or other discrimination. And in Vermont they -- they require an ISP to certify that it has compliance with consumer protection and Net Neutrality standards in order to be eligible to receive government contract for internet service.

So there are a number of other states that have tackled this issue as well. Any many of you know that I proposed this legislation in the past. I feel very strongly about it. I was at one of our Senate Democratic Caucus parties this year and that with the DC Circuit Court ruling that states do have jurisdiction I believe this is now the time to pass the -- pass the legislation that some of those questions from the past have been answered through the ruling -- through the court ruling and this is a great way to protect our residents here in the state of Connecticut. So with that, I'll take your -- any questions.


REP. FERRARO (117TH): Good afternoon, Senator.

SENATOR DUFF (25TH): Good afternoon, sir.

REP. FERRARO (117TH): I certainly appreciate your testimony. I know your passion behind this issue and I know it's very important to you. It's also very important to a lot of folks on many levels. I just have some questions regarding the urgency of the --
of the Bill. Just for historical purposes the federal government repealed this Bill back in 2018 — repealed Net Neutrality back in 2018; that is correct, right?

SENATOR DUFF (25Th): I believe so, yeah.

REP. FERRARO (117TH): Okay. And since then you said many states got involved with legislation to have state originated Net Neutrality Bills and as a result of that there was pushback on the federal level which brought up the pre-exemption issue. And this pre-exemption issue was what probably killed the Bill last session. So my question is that in the ensuing two years since the federal government repealed Net Neutrality and certainly there was a lot of concern about throttling and picking and choosing winners and losers; maybe pushing a company forward while hurting other companies, do we have reported cases in the state of Connecticut from 2018 to present where this is actually happening?

SENATOR DUFF (25Th): I'm not aware of any in the state of Connecticut though I would say that we have some examples from around the country. My sense is that it's important for us to be proactive on this issue. Just because I may not -- and I can look again and see, and maybe get back to you but because we haven't necessarily had an issue here in the state of Connecticut doesn't mean that it hasn't happened around the country.

So the argument a couple of years ago was that this should be a national policy. I totally agree with that. If congress would actually pass Net Neutrality principals, I'd be fine. You wouldn't see me here again talking about Net Neutrality. They haven't done it. The argument again, last time
-- I think it was only a year ago, the court came with their decision, was this -- the states have no business doing this. This is not a state by state issue. I reject -- I argued against that, that we did have jurisdiction on this issue because we are seeing other places that other states and other jurisdiction where that's happening.

Probably the most publicized example is in California when Verizon throttled back the fire department when there was a massive fire going on which hampered their efforts to -- to help. So I'm not sure that we want to wait until we have an example like that before we act.

REP. FERRARO (117TH): Through you, Mr. Chair and thank you, Senator for your comments on that. Just drilling into it just a little bit. The current providers in the state of Connecticut have all agreed in principal to Net Neutrality principals, that is correct right? They have all indicated that they agree with that.

SENATOR DUFF (25TH): Net Neutrality principals?

REP. FERRARO (117TH): Yes.

SENATOR DUFF (25TH): Well I'll just say that I think it's in the eye of the beholder. I'm not saying that they're not being truthful about what they say, I just think that it's all in the eye of the beholder as to what they view as Net Neutrality principals.

REP. FERRARO (117TH): I would agree that most everything in life is subject to you know, individual interpretation but the principals of Net Neutrality are pretty clear as regarding not -- you know not engaging in throttling and what have you.
And they -- we have not as of yet in the state of Connecticut seen any instances of that and these companies have agreed in principal to make sure that that doesn't happen. And many people seem to feel that we have a Bill before us that is kind of looking for a problem that isn't there.

And you know we have that problem with a lot of legislation, not just this one. So I'm a little bit hesitant to see the urgency. You know as we look at the -- the -- the California situation and the Vermont situation, they were basically a stay put on their legislation or the -- the lawsuit and they've agreed not to go forward with their Net Neutrality Bills until this has been resolved, so at the current place where we are now; it really wouldn't be fair to say that the door has been flung open and states have been given permission to go ahead and make their own state regulated Net Neutrality law. I wouldn't say that that is a result of that legislation, would you?

SENATOR DUFF (25TH): Regarding the court case?

REP. FERRARO (117TH): Regarding the stay. It doesn't really throw the door open and say now states have the right to go ahead with their own state -- in otherward it's pre-exemption, it's still on the table.

SENATOR DUFF (25TH): I think the -- I think the issue is pretty clear that states have authority to -- to do this.

REP. FERRARO (117TH): I do not -- well, Senator you know I don't know that that's shared by everyone. I do feel that horse has not been let out of the barn yet and we still have to see where this is going to
go. And regarding whether or not a state would go forward and put their own Net Neutrality law into place we could -- it is possible, and maybe you'll agree with this; it is possible that the state would face a federal lawsuit.

SENATOR DUFF (25TH): Is that a question?

REP. FERRARO (117TH): That is a question.

SENATOR DUFF (25TH): You know I can't predict the future. All I know is what's in front of me which is, I believe the court -- the court has said that we have jurisdiction and we want to have an open and accessible internet to the people of the state of Connecticut and their businesses.

REP. FERRARO (117TH): Of course I wasn't asking to predict; I was just asking you to agree that the potential does exist. In otherward I would find it hard to believe that if the federal government -- well one of the things that the federal government has stated that -- is that if the internet was an intra-state internet then there would be no problem with each state doing their own Net Neutrality law. But since internet is a global phenomenon and not really an intra-state type of phenomenon I would think that the federal government is going to protect you know, it's won sovereignty in this case. I mean the possibility does exist, and that is a question.

SENATOR DUFF (25TH): Okay. All I can say is I'm not a lawyer. I'm a country legislator and all I know is what's -- what's in front of me from the court case and the court case in my view, and the view of others who agree with me on this issue say that states have jurisdiction on it.
REP. FERRARO (117TH): Very well, Senator. Thank you for your testimony and --

SENATOR DUFF (25TH): Can I just also add one other thing? Just -- I just want to point to my testimony on the bottom of the first page, but mostly the second page where it talks about -- where ISPs have already begun to slow down services, YouTube and Netflix unless companies agree to pay; so you ask the example of how that impacts Connecticut. They're not Connecticut companies doing it to Connecticut consumers, but those are national or international companies that could impact our residents here in the state of Connecticut. So I just wanted to bring that to your attention as well.

REP. FERRARO (117TH): And I appreciate that. I would think that if that did happen they would fall under federal law and they would be able to be --

SENATOR DUFF (25TH): That's why we need a good federal law, but in the absence of that we have to have a state law.

REP. FERRARO (117TH): Okay, well thank you Senator. I appreciate your comments and thank you, Mr. Chair.

SENATOR NEEDLEMAN (33RD): Thank you, Representative and thank you, Senator Duff. I've never heard you refer to yourself as a country legislator, but I like that. I'm going to keep that one in my pocket. [Laughing] I think that's great. Does anyone else have any? Representative Cheeseman.

REP. CHEESEMAN (37TH): Thank you, Mr. Chairman. I apologize for coming in late on -- It’s one of those days with three public hearings.

SENATOR DUFF (25TH): That it is.
REP. CHEESEMAN (37TH): And absent the ability to clone.

SENATOR DUFF (25TH): That’s the other room.

REP. CHEESEMAN (37TH): Yes, I know. Just looking at some of the testimony with regard to the D.C. Circuit Court case, I do see in both Vermont and California that had passed these net neutrality laws, the Vermont attorney general has dictated that this non-enforcement of the law, as has the California attorney general, so it does not appear to be me that the federal government is going to give up its efforts to recognize that, in fact, absent federal legislation, states do not have the ability to regulate this. I just liked your comments and I apologize if you’ve already addressed this issue.

SENATOR DUFF (25TH): You know, I can’t comment on what the other attorney generals have said in the other states. I haven’t spoken to them, nor have I read what your -- your testimony that you're referring to. All I can refer to is the D.C. Circuit case that -- where I and other folks believe in the neutrality principles would agree and folks that are far smarter than I am have -- know this issue even more than I do, that they would agree that states do have jurisdiction. It wasn’t a complete win on net neutrality at that court case, but it did -- it was a win for states, the ability to -- to --

REP. CHEESEMAN (37TH): Thank you.

SENATOR DUFF (25TH): -- put legislation in.

REP. CHEESEMAN (37TH): And as I said, just referring to this legislation -- this testimony from
CHIA, it’s my understanding that these federal lawsuits have been issued post the D.C. Circuit and I -- we -- obviously we discussed this extensively two years ago and I was very struck by the testimony of the former FDC commissioner stating that there were, in fact, very strong federal protections that would ensure net neutrality. There was other testimony delivered that stated in some cases prioritizing certain traffic over the internet was in the best interest. They cited emergency responders, a couple of cases from South Africa, where being able to pick and choose the speed through which information traveled through the internet was in fact in the public interest, so I think given all these considerations, moving forward to regulate on a state level something that is inherently both, you know, nationwide and international is simply not doable, not desirable, and I will add, you know, a lot of this was premised on lack of competition, that you were doomed to a single internet provider who could then dictate the rules.

Well, I come from a part of the state where three years ago we had one internet service provider. Now I have the choice of four, so again, you know, the end of net neutrality, quote/unquote, has actually improved things for me as a consumer and many other people in my district. So -- Yeah. I guess you feel -- get an idea of how I feel about this, but I think we are doing something to address a problem that doesn’t exist, but I appreciate your passion on this subject. I look forward to discussing it further at the committee level. So thank you. Thank you, Mr. Chairman.
SEN. NEEDLEMAN (33RD): Thank you, Representative. So I just want to say for the record that the idea of a -- of a paid lane on the internet is a real problem to me and you're absolutely right, it's not happening today. We don’t have a problem right now. The federal government’s decision to not actually ensure that right unequivocally is what leads states to deal with things like that, the same as states are looking to deal with things like climate change.

We do not have the ability to impact global climate change, yet we are making steps in Connecticut to do what we can to protect ourselves, so this may be symbolic in some regard, however, I think that there is a concern out there that speed goes to the highest bidder and that’s the fear and I -- I’ve spoken with Senator Duff on this. I do know how important it is to him and the principle of it is very important to me and I think it’s important to all of us and all the time in this building, I weigh the question of what can we do to solve more global problems here and knowing that Connecticut is a very small state, but historically Connecticut has had a loud voice on many, many issues, some I agree with, some I don’t agree with, but I don’t think as a small, highly educated, relatively affluent state we should ever forget that we need to have that voice. It’s very important that Connecticut remembers its history and ability of punching above its weight and I think that that’s the genesis of what we’re trying to do here. If there’s no other questions, we’d like to move on. Thank you so much. Thank you, Senator Duff. Robert LaFrance, followed by Senator Cohen.

ROBERT LAFRANCE: Good afternoon, Chairman Needleman and I see Representative -- Ranking Member Ferraro
taking off, but that’s great. My name is -- My name is Robert LaFrance and I’m the director of policy for the National Audubon Society’s Connecticut office, Audubon Connecticut. I’m here today to talk in favor of House Bill No. 5228, which is an act concerning the C-PACE program, and specifically I’m very encouraged by the innovation that the C-PACE program and that the Connecticut Green Bank is bringing forward with this inclusion of resiliency.

Folks, I think, around this table are familiar with an organization called the Connecticut Institute for Resiliency and Climate Change, otherwise known as CIRCA, and I just want to -- I just want to read something quickly from a study that they did about financing options in resiliency. I think it’s important. Becoming resilient to the impacts of climate change and extreme weather in Connecticut has a price. To date in Connecticut, most of the dollars invested in resilient infrastructure come from federal grants provided in the form of assistance after a declared disaster, but grants alone will not cover the bill. And that’s the point, I think, of the C-PACE program. Here we’re actually thinking about using private financing opportunities to actually start to address the climate change issue.

And I think I really want to talk about the innovation that the Green Bank and the Governor’s Council on Climate Change is trying to look at in terms of the financing options. We need to be thinking about alternative mechanisms to finance resiliency and resiliency financing isn’t just along the coast, and I think Senator Needleman talked about this earlier, even if you're a riverine municipality, you're going to be potentially
impacted by climate change and riverine flooding and to my view, one of the benefits that C-PACE can bring is -- is actually helping finance some of those riverine flooding opportunities. So thank you for the opportunity. I realize it’s a full house today, so thank you for the time and strongly support the resiliency aspect of this.

REP. ARCONTI (109TH): Thanks, Rob. Are there any -- Representative Steinberg.

REP. STEINBERG (136TH): Thank you, Mr. Chair. Rob, good to see you.

ROBERT LAFRANCE: Thank you, Senator.

REP. STEINBERG (136TH): I’m excited by the prospect of expanding into this area because we have such a demonstrated need. Maybe this is more of a question for the Green Bank, but as compared to the other financing products that they offer, there’s a more direct correlation between the offering and some sort of return on investment on behalf of those making those investments, which obviously impact the interest rate. One would think that resilience would be more of an interest to say insurance companies or underwriters who bear the brunt of having to pay for rebuilding or things of that sort. Do you think that this product is actually going to attract the kind of financial underwriting that’s going to make it successful?

ROBERT LAFRANCE: So one of the things I’ve seen the Green Bank do is work very collaboratively with the commercial banking institutions and my sense is that they're also willing to talk in a cooperative level with the folks who are in the insurance industry. I think the insurance industry and I think -- I work
for a woman by the name of Jean McCarthy and she indicated at the very beginning of this process that both resiliency and climate change generally that the insurance companies have a big interest in this and they’re going to have to figure out ways to help share the risk.

So I think the notion of having the insurance companies pay closer attention to it, I think they already are paying attention to it, but here’s just the — I think as David said and I would agree, this is a tool in the toolbox. We’ve got to come up a whole bunch more tools and financing tools are going to be critical whether they're insurance products, whether they're banking products, whether they're Green Bank products, we need to start thinking broadly about that because the issues are the numbers are really unbelievably large.

REP. STEINBERG (136TH): And I tend to take seriously any advice you give this committee. When you bring up Jean McCarthy, I definitely paid attention. Thank you.

ROBERT LAFRANCE: Thank you, Mr. Chair.

REP. ARCONTI (109TH): Thank you, Representative. Any other questions, comments? Seeing none.

ROBERT LAFRANCE: Thank you so much.

REP. ARCONTI (109TH): So I don’t see Senator Cohen, so we’ll move on to Rich Sobolewski, OCC.

RICHARD SOBOLEWSKI: Good afternoon, Co-Chair Needleman and Co-Chair Arconti, Ranking Member Ferraro. I’m Richard Sobolewski and I am the acting consumer counsel for the Office of Consumer Counsel. We submitted written testimony on five bills and I’m
here to give oral testimony on three of those today. The first one is House Bill 5225. We’ve heard a lot of testimony today about why a bill is needed to support residential rate payers who may be customers of electric suppliers. The bill does a really good job of getting rid of termination fees and guarding against a lot of the things that have been happening in recent years. It does give PURA the ability for restitution, which is a big thing that our office has been pushing for years. It’s one of the major problems with the existing landscape is that PURA does not have that ability, so when we go through proceedings looking at the companies that have overcharged rate payers or broken the rules regarding customer engagement, PURA is only allowed to fine the company and most instances it’s gone back to the general fund, but in these instances going forward if this bill is adopted, rate payers could receive refunds back, so we see that as a very acceptable -- excuse me, as a very appropriate measure.

We also support a version of the bill that would have customers not be switched over without preapproval of PURA. Otherwise we think that the customer should just go back to standard service when the company’s going bankrupt and the like. We hope that these numerous measures in this bill will provide a meaningful impact on not only discouraging the bad players, but to compensating customers who have been overcharged for their losses.

The second bill that I’m here to support is S.B. 176 regarding community access TV. OCC has had a long history of supporting public access TV. I mean, we used to spend a lot of time doing cable work in our agency. We used to have two full-time members who
did a lot of work with community access back in the day. Still has a soft spot in my heart of our agency. We do see how the funding for that has gone down over the years. I think years ago the fee was higher and now in the last years I think it’s the set rate that we’ve heard today, eight dollars and some change, which really isn’t a lot of money. I see my cable bill, you know, it’s cable, internet, telephone, it’s close to $300 dollars. I look at -- There’s two line items. I think one was the PEGPETIA access and there’s another PEGPETIA items. One is 62 cents a month, one is 40 cents a month. In the grand scheme of things, it isn’t really a lot of money, but it does provide great services to the local communities.

I hear from my local community all the time about the needs that they have and how the funding has gone down. Luckily, some of the access channels do have some funding that’s in storage. They’ve had some -- been able to hold some money over the years and have some financing available, so they’ve been able to weather the storm a little bit to subsidize some of the work that’s going on and cover the expenses that aren’t funded enough from the current payments coming in from customers.

We realize that PURA does have the dockets that are open. One is a review of the funding and information is coming in. I know it was previously asked about, you know, how much money is coming in. There is a docket open that shows the amount of money coming in and PURA has a review of the public access funding. That information is coming in, so, you know, that’s one thing we’re really looking at, but we do see that that number has gone down. We know that Frontier does pay that as well to the
local cable companies and just I looked at the numbers from 2015 until 2019 and the amount of money that they pay to the various cable companies has decreased from about $1.3 million dollars down to $800,000 dollars, so you see a half a million decrease right then and there just from Frontier customers.

So it is a problem and if we want to keep these public access channels that do government work as well as other activities in town and other independent programming, we think that this change is necessary. Also, the change that is being requested might need legislative approval, so even if PURA was to find that, you know, this was appropriate, that might delay this another year or so. So we would suggest that some legislation is needed and it’s a good time to act now.

Finally, we also support S.B. 5. Part of the OCC is a broadband advocacy agency, so we have been firm supporters of net neutrality. It’s one of the areas that the former consumer counsel spent a lot of time going about and working with and one of our other former staff members also did. They spent a lot of time going out there working with the communities on trying to improve broadband throughout the state. So we believe that, you know, maybe there hasn’t been specific issues right now going on in Connecticut regarding slowing speeds now to certain customers, but we think that it would be better to have a protection now before anything happens. I’m sure that as an advocate and my long history working for the OCC that it’s, you know, it’s -- I have a good relationship with the utilities, but, you know, when you have things on the books protecting rate
payers about the level of service they’re going to get, it’s always a good thing.

Unfortunately I think internet in a lot of instances has been viewed as a utility. If it was viewed as a utility, I think a lot of us would be saying well, they have a public service obligation. They have to -- they have to do this. They can’t discriminate one customer over another, but it is -- while they’ve made certain comments that they won’t do that, I think that, you know, having the protection in place is something that we’d really support. With that, that concludes my written comments and my oral comments. We did provide written testimony on two other bills, on S.B. 175 and also on 5223.

REP. ARNONE (58TH): Thank you, Rich, for your comments and testimony. Is there any questions or comments for OCC? Representative Cheeseman.

REP. CHEESEMAN (37TH): Yes, thank you. Thank you, Mr. Chairman. Thank you for coming here today. On -- Let me just -- So 176, I see there’s a new $5.00 dollar charge for video streaming services and that’s limited to one $5.00 charge per subscriber. Do you know how much revenue this would bring in?

RICHARD SOBOLEWSKI: I do not.

REP. CHEESEMAN (37TH): I’m just curious as to -- I mean, if the problem is funding for these community access stations, what’s the origin of the $5.00 dollars and what’s the anticipated revenue that would result that would then fund these community access channels and I’d be happy to have you send that information on.
RICHARD SOBOLEWSKI: Thank you. I know that the bill does limit that one household be charged only one fee, so.

REP. CHEESEMAN (37TH): Right.

RICHARD SOBOLEWSKI: I don't know. We'll do our best to try to shore up that number.

REP. CHEESEMAN (37TH): Sure. I’m just, you know --

RICHARD SOBOLEWSKI: We’ll put --

REP. CHEESEMAN (37TH): I’m relieved to see that if you get Hulu, Amazon Prime, and all those things, you’re not going to pay $15, $20 dollars a month which I think would be extraordinarily hard for a lot of households, but I’d like to know, you know, if we have a best guess how many households have access to at least one streaming service and as a result, how much revenue would result.

RICHARD SOBOLEWSKI: We’d be happy to do that. Thank you.

REP. CHEESEMAN (37TH): Thank you. Thank you, Mr. Chair.


RICHARD SOBOLEWSKI: Thank you.


SENATOR COHEN (12TH): Good afternoon. It’s always good to be on this side. Good afternoon, distinguished chairs, vice-chairs, ranking members. I am here to testify in support of S.B. 175. Thank you for raising this concept. This was actually
brought to me as an issue by one of my constituents and upon further research, I mean, I think many of us have experienced this annoyance of maybe a utility shut off notice and wondering where that came from, maybe we didn’t have the mail. I heard Representative Ferraro earlier referencing his business and sort of being inundated with emails, inundated with snail mail, and perhaps it’s an oversight. And so what I really like about the content of this bill is the text message notification piece of this.

I won’t -- I’ll spare you me reading my testimony. I trust that it’s in front of you or perhaps online, but there are -- we do know that as of 2017, three-quarters of the United States, 455 million telephone numbers, were tied to mobile phones, so it’s not an insignificant number. Only 10 percent were associated with landlines. So in this day and age, it seems to me that it should be fairly easy to be able to notify customers via text notification of perhaps a late payment, of a shutoff notification, that sort of thing and currently I know Eversource does so but the customers need to opt in to that service. So what I would like to see happen is that the customers are receiving text notifications regardless of opt in. It should really be an opt out. If they choose to opt out of it, that is certainly their choice, but I just want to say I’m appreciative of this legislation. I know there were a number of shutoffs in Connecticut in 2018, I’m sure you have this data, but over 80,000 shutoffs. Many of those resulted in same-day reactivation, which, in fact, would exhibit to me that there was really no inability to pay, but rather, as Representative Ferraro had mentioned earlier, just
an oversight. So it also results in a lot of money being charged to the customer for reactivation. If you chose or can obtain same-day reactivation, which is not always possible, you are paying a significant reconnection fee. If you can get same day reactivation, you could be in a situation where you don’t have these utilities, which is obviously problematic. Certainly in colder months, winter months, it could really be an issue.

So I just want to reassert my support of S.B. 175 here and open it up to any questions. I also want to suggest, I saw a clause in the bill which is wonderful in the proposal about the utility companies reporting by customer class hardship status and zip code, which I think could prove to be valuable information for us and if we do find, in fact, there are a large number of hardships, you know, what are the utility companies doing in response to understanding the hardship cases. So that’s -- I will leave you at that.

REP. ARCONTI (109TH): Thank you, Senator. I liken that aspect to, you know, we’ve discussed a lot in this committee around affordability and I think having that data would greatly, you know, help us in our role as Committee members here on that front. Thank you for your testimony. Any questions, comments for Senator Cohen? Representative Steinberg?

REP. STEINBERG (136TH): Thank you, Mr. Chair, and good to see you, Senator. Just so I’m clear, when you were talking about offering or perhaps making a default expectation of sending a message via text, the way I’m reading the bill currently it’s an or circumstance. Would recommend, then, that it’s both
text and one of the other options, such as first class mail, so that -- I’ll tell you honestly, I tried for mother over and over again to check her text messages and I’m still failing on that point, so would you agree that maybe that text message plus another more traditional means might be warranted in this case?

SENATOR COHEN (12TH): I would agree. I will tell you, as I stated the statistics on those that have cell phones versus landlines, we do know that there are a substantial number of individuals with cell phones. We also know that the open rate on text messages is 98 percent and an open rate on, let’s see, 20 to 30 percent on email messages, so it’s very -- it’s obviously a wide variant -- variation, a huge differential. Would I still recommend that there’s another notification? Absolutely I would. Certainly not everybody is going to respond to text messages, but I do think it would reduce the number of shutoffs that we’re seeing and same day reactivations, which is costly for everybody.

REP. STEINBERG (136TH): Thank you. I agree with you. Thank you, Mr. Chair.


SENATOR COHEN (12TH): Thank you.

REP. ARCONTI (109TH): Samantha Dynowski? No? All right. We’ll move on, then, to Marilyn Diaz? Great.

MARILYN DIAZ: Good afternoon and thank you so very much. The gentleman to my right you all know, probably, as John Erlingeheuser. So my name -- First of all, then you so very much for allowing me to
testify. This is in support of H.B. 5225. My name is Marilyn Diaz. I am a volunteer with AARP. I’m part of their executive council and also volunteer presenter for a program that we present to our communities about what I need to know about my electric choices and so this is -- I’m going to focus -- You have a copy of that PowerPoint presentation. I’m going to focus on real world -- the impact that this bill is having on people and let you know that, in fact, yes, to this day, I’ve done a couple of training sessions in the last two months, the problems are still there and so this particular presentation was prepared not only with the staff of AARP, but also with PURA and AARP volunteers and it’s intended to help people navigate that third party market.

Yes, there is a rate board out there. We literally take people to the rate board and show them how to figure out their options. We have them bring their bills and actually look at their bills because even though changes have been made to those bills to make them easier to read, many people don’t know. They’re surprised to find out what the term of their contracts are. They’re surprised to find out that there may be a cancellation fee. They’re surprised to know that there’s a difference between the standard service and what the third party supplier is. They’re surprised to know that they may have re-upped for a contract and that the rate is so much higher.

So when we do these presentations, we literally take them through and it is not as easy as we might think and for us at AARP, as you well know, we have over or close to 600,000 members here in Connecticut and over -- How many do we have nationwide? Thirty-
eight million nationwide and we are about protecting those that are 50 and over, allowing them to live their best lives. I am telling you that the reality is that yes, people do not know what a third party contract is. People have been called and solicited or even knocked on doors and told let me see your bill and all they do is see the account number and their accounts have been switched to a third party supplier, even without their knowledge.

So we tell them about how people can protect themselves against that. Just yesterday I was at a training center doing a presentation when a mother came in with the bill -- not only her own bill, but that of her son who is on disability, and the social worker for her son had entered into a three-year contract with a third party supplier and this was being helpful? Well, cancellation fees we know are capped at $50 dollars, but that mother did not know and she was representing her son, an elderly woman who was trying to look out for her son who now had to -- was surprised, thanks to our presentation, that this happened. So for me, again, thank you. Please, please, please support this bill. It makes a difference in people’s lives.

JOHN ERLINGHEUSER: I’m John Erlingheuser with AARP and I’m just going to follow up on that. We do appreciate the chairs, ranking members, and PURA for introducing 5225. I know it’s an improved bill from last year, specifically mentioning the cancellation fees, and that’s a big deal because even though they were capped at $50 dollars -- By the way, that was something we had wished was in the 2014 bill that there were no cancellation fees, but for some older folks, you know, they may be fined -- Very often, maybe they’re only paying $2 or $3 or $4 or $5
dollars a month more than they should be with the third party, a lot of times that $50 dollars is still enough to keep them locked into a bad contract that they inadvertently got into for one reason or another and when you're sometimes making only $600 or $700 dollars a month, it’s important.

But I will stress that the problems do persist, so the improvements in the legislation around recording of the transactions between the agents of the suppliers and the potential customers are critical. And I’ll just tell you from my own personal experience, I -- last year around the time that the solicitations started to get intense and it was about five to six weeks before the new standard service rate got called -- announced, or excuse me, went into effect, I got numerous calls from the same supplier in one week being told that the rate was lower than, you know, standard service, which it was and would only be for five more weeks, and yet it was going to be higher than that for the next six weeks -- six months over standard service, costing a significant amount of money more.

Now, you know, I have some knowledge of the market, so I understood and knew better and, you know, I then went on to ask the agent of the supplier, and I won’t name them, but, you know, this is a particular supplier that had been fined a substantial amount of money and the agent couldn’t answer any questions about what the standard offer would be starting July 1, had -- wouldn’t answer any questions about what their track record was with fines in the state of Connecticut, and frankly is running a lot of ads on Facebook now claiming to have a lower rate that isn’t lower. So these problems are going to continue to persist. We hope this legislation gets
to the meat of it and, you know, if not, we’ll have to keep looking at what needs to be done, but we do appreciate your willingness to take this up.

REP. ARCONTI (109TH): Thank you, John, thank you, Marilyn, and thank you, Marilyn, for your advocacy. I know you’ve been in front of this committee before, so we just appreciate you coming back.

MARILYN DIAZ: Thank you.

REP. ARCONTI (109TH): You know, I do think two of the more important aspects of the bill is getting rid of that $50 dollar cancellation fee, as you mentioned, John, and the restitution piece. PURA has done a great job, in my view, as the regulator around this topic and I think now it’s, you know, behooved on us and our responsibility as a legislature to follow-up and do our part and I’m hopeful we can get this bill across the finish line this year, so with that, I will open up to Representative Meskers who loves this bill.

REP. MESKERS (150TH): Well, it’s a beginning of a reform of the market, which I’m hoping we get to. I just wanted to thank you for your advocacy for the - - for the entire time I’ve been up here in the General Assembly. I think your information and your guidance on this has been formative for me in what’s going on in the market. I was just going to make a suggestion as we go ahead and work on lobbying our legislature to do something on this bill, I think incumbent on us as well is to try to -- I think I’d love to work with AARP to sit down with PURA and work on the billing process and the renovation or the renewal of the billing so that such that clients that are on the auto-renew, I think we still have floating many contracts that gave like four or five
years old that are getting auto-renewed, that people are getting skinned alive, and I think we need to go out to the community of participants in the market and probably work on -- and advice in the billing, from Eversource or UI, about the fact that the last six months or year they’ve been overbilled with an estimate of what that overbilling was and I would love to work with you on that.

JOHN ERLINGHEUSER: Sure, and we appreciate the fact that you support that and I know there’s sympathy from the chairs on the issue of auto-renews and what I will say is, you know, through investigations -- PURA mentioned one of the investigations they had that you championed them. We all brought out in last year’s hearing about the hardship customers being on a third party supplier. In fact, you know, through the investigations of PURA and the work of the Office of Consumer Counsel, they found out how much over -- being overbilled were the third party hardship cases were as opposed to standard service, which by the way, we are all paying as the rate class across Connecticut for that extra charge, but it’s also rampant amongst all classes of residential customers.

And there are approximately 30,000 people who are on a ban variable rate contract because they were grandfathered in as existing contracts when we passed the ban in 2015 and, you know, the Consumer Counsel puts out their report about how many -- what suppliers have customers that are paying more than standard service and discussing it with acting counsel, Richard Sobolewski, earlier, he said that a good, large, almost, you know, large overwhelming majority of those people on those variable rates
account for the customers that are paying more with the third party than with the third service.

So I understand there are issues with contract law and the fact that they, you know, have clauses in the contracts that automatically renew them, but I think it’s an awful shame because I guarantee you we find a lot of those folks every time we do one of those presentations that are still on those variable rate contracts and it’s amazing to me that five years after the ban we’re still in that situation. So I appreciate you highlighting that and I know you're highlighting the case of the hardship customers, you know, with critical, and the chairs supported that, getting PURA to look into that, so we appreciate that.

MARILYN DIAZ: And that mother with the disabled son is exactly one of those.

REP. MESKERS (150TH): Thank you very much for all the work you do. I think we’ve got to ban dubious players from the market at some point and this is the first step, at least, to regulating them, so thank you.

REP. ARCONTI (109TH): Thank you, Representative. Representative Ferraro.

REP. FERRARO (117TH): Thank you, Mr. Chair, and I want to thank both of you for your advocacy in this area. It’s always great when legislators happen to agree 100 percent with the community and protecting the community from predatory type activities that happen in a competitive market. There certainly is no intention to hurt any competitiveness. I mean, we obviously believe in the free market and what have you, but the need for regulation in this area,
you know, I can only sympathize with you doing these forms and educating people on what exactly is in their bill. I’ve actually done a couple of these forms in conjunction with UI and the room is always filled and long after the form is over, people are standing in line to ask questions and have us look at their bills, so the confusion is ubiquitous and so, you know, I want you to know that we’re going to do our best up here to get this across the finish line. We definitely want to do what we can to protect our elderly, our disabled, and anyone else who would be confused and the billing -- the bills that they get, so keep up the good work and thank you very much.

MARILYN DIAZ: Thank you and it’s always a pleasure and a honor not only to testify before you, but also when we go out into the community, the information that we share with those present, we anoint them as ambassadors and they take that information forward and hopefully send it out to others so that they will not be victims of scams in the future also and not everyone is a scam artist, but people need to be aware of what their rights are and again, we do it in an unbiased way and allow people to make their own decisions, so thank you very much for your kind words and for your action on this.

REP. ARCONTI (109TH): Seeing none, thank you guys.

MARILYN DIAZ: Thank you.

REP. ARCONTI (109TH): All right. So now we’re moving on to Senate Bill 176. I have Joan Sutter and Chris Bennett as a team?

JOAN SUTTER: Chairman and members of the Committee, I’m Joanie Sutter, the executive director of Nutmeg
TV. Bill 176 is to keep Connecticut public access TV funded. Nationally, community TV is here because of a federal mandate that makes sure that channel space is allotted for public access on MVPDs. That’s why we’re here. The companies use public rights of way to profit. They run their lines and as a result, they have to give back, but they have to give back as channels. The channels won’t have anything on them if it’s not for the public access stations who educate, train, and make use of available equipment for the public to produce programming. So again, it’s a federal mandate that they have to have the channels because they’re using public rights of way and we are the resource that the public comes to create content to put on those channels.

We’re funded by cable customers, but it’s a pass-through fee. It’s equivalent to fees that a consumer might find on their electric bill, on their water bill, on their telephone bill, and it helps the consumer identify that this small portion of their bill is to support good public policy goals. It’s not a tax, it’s never been a tax, it’s not going to be a tax. Twenty-five years, people have been supporting public access because it’s their right to create programming on those mandated channels. Why? Because of the use of public rights of way. The problem is technology has gotten really, really good. You want to watch what you want, when you want, how you want. You have so many choices available to you and it’s fabulous. Not only are customers cutting the cord, which is cutting our funding, but MVPDs are marketing new streaming services to advance their competition.
Comcast, for example, is launching Peacock in April 2020 and to quote their NBCU chairman, Steve Burke, Comcast owns NBC, “I think our company is better positioned as the world moves to streaming than any other company in the world.” The technology advances, we cut the cord, but we’re also cutting funding for the very right that we have and we don’t even know that we’re doing it. The state lost $27 million dollars in gross receipts taxed from 2015 to now. Nutmeg TV, we’re smaller than the state, obviously, but we lost $52,000 dollars, including two full-time employees. We’re here today because the current funding formula is old. It needs modernization, so the fee follows the customer. We’re not looking for two fees. We’re looking for the fee to follow the customer to reflect the privilege that these companies have to use our public right of way.

CHRIS BENNETT: Hi, good afternoon, everyone.

JOAN SUTTER: That’s the end of our time, so if we have a question, then we can go.

REP. ARCONTI (109TH): Good explanation. You’ve been here before. Are there any questions, comments from Committee members? Representative Petit.

REP. PETIT (22ND): Thank you, Mr. Chair. Thank you for your testimony. You serve a lot of people in our general area in the 22nd. Can you tell me what program you think is most valuable that you provide that people might not have access to in other venues?

JOAN SUTTER: Yes. We obviously do a governmental program, board of education meetings, city town council meetings, but then the general public has a
wide variety of programs. The best way to describe is it’s a first amendment right to free speech. I, as a station, cannot dictate what the public decides that they want to have on, so it’s unfiltered, it’s reliable, and it belongs to the people.

REP. PETIT (22ND): And would the changes in viewing habits -- So your deficit for the past fiscal year is $52,000 dollars to Nutmeg?

JOAN SUTTER: Over the last five years. There’s a trend and the downward trend is apparent with a state loss of $27 million dollars and our loss of $52,000 dollars. It’s a downward trend as people cut the cord and go for advanced technologies, which we all are looking to do.

REP. PETIT (22ND): So take the opposite point of view, what is the -- what is the downside if the funding continues to decline. Obviously, you lose more employees, etc. --

JOAN SUTTER: Afraid so.

REP. PETIT (22ND): -- but is there a bigger public downside?

JOAN SUTTER: Yes.

REP. PETIT (22ND): Are a lot of those board of education meetings and things other things otherwise not televised?

JOAN SUTTER: Well, if the funding continues to decline, we will eventually go away and it will be lights out and that means that the companies still are using public rights of way for channel space that has nothing on it.
REP. PETIT (22ND): Have any other states pursued any other mechanisms in terms of funding?

JOAN SUTTER: Yes, what other states do is that the companies have to pay a 5 percent gross receipts tax on anything that they make and that comes to the state of Connecticut. In other states municipalities get that money and the municipalities give some of that money to the public access stations. In Connecticut, that’s not true. In Connecticut, the 5 percent totally goes to the state and the public access facilities get none of that.

REP. PETIT (22ND): All right. Thank you for those answers. Thank you, Mr. Chairman.

REP. ARCONTI (109TH): Thank you, Representative. Representative Demicco?

REP. DEMICCO (21ST): Thank you, Mr. Chair. Thank you, Joanie, for being here and I just wanted to say I’m very appreciative of the service that Nutmeg provides to my town and to all the surrounding towns in the area. It’s really a great service and we want, you know, it would be beneficial to all of us to keep it, so I just want to understand, you know, the argument here. So my understanding, and correct me if I’m wrong, is that the state of Connecticut requires the MVPDs to currently collect a fee and to pass it on to the community access providers. Correct?

JOAN SUTTER: Correct.

REP. DEMICCO (21ST): And there are a lot of people who are now, for lack of a better word, migrating to a different way to access the content that they want -- that they choose to see, so it’s been suggested in some of the testimony that I read that a new fee
or a new tax is going to be imposed, but wouldn’t it be more accurate as a shifting of the fee just -- or migration of the fee, just as the customers have migrated to a different technology, so I think what you're suggesting is that the fee should migrate to them as well. Would that be accurate to say?

JOAN SUTTER: Chris, why don’t you.

CHRIS BENNETT: Yeah, absolutely, that is 100 percent accurate. I couldn’t have said it better myself. Really, it comes down to that the consumer is receiving their content over an IP or an internet protocol television spectrum. It’s a different form of sending a television signal, wherein the regular cable would be a line to a two-lane route. The digital IP spectrum could be almost like an interstate highway, you can fit a lot more onto it, so as the cable -- as the customer keeps shifting to what they want to receive. It’s also the MVPDs that are also shifting the way that they are sending the signal. One of them actually just came out yesterday --

REP. DEMICCO (21ST): Can I interrupt you, Chris? I think they’re probably going to want you to identify yourself for the record.

CHRIS BENNETT: Oh, I apologize. My name is Chris Bennett. I am the director of technology and production services for Nutmeg TV. Just yesterday, this came across my desk in the Post mail. It’s an article in broadcasting and cable and it says here that AT&T is releasing a streaming service that is going to come out in March and what it basically states, I have it highlighted because it’s easier for me to see it, is AT&T TV will stream over the open internet, but carry all the accruements of
traditional paid TV. So it’s the same exact TV as you usually would be getting, just it’s over the internet lines, which is the same line that you receive your regular. It’s just a different format that is delivered to the homes.

JOAN SUTTER: And currently in Connecticut, IP TV is also known as Frontier, so there’s a precursor that was set in 2007 already for that, so that is how Frontier is delivering, but the companies are recognizant of meeting consumer demand and competition and so they’re coming out with wonderful streaming services that we all want to take advantage of and we are partnering with our cable companies, we enjoy our working relationship with them, and we’re happy with the technology. The problem is that the funding must shift and migrate, Mike, as you said, yes.

REP. DEMICCO (21ST): So thank you for that. So would it also be accurate to say that the public rights of way are being used regardless of whether this -- the content is received through one medium or the other and that this fee is to compensate for the use of the public rights of way? Would that be accurate to say?

CHRIS BENNETT: That would be absolutely accurate, yeah.

REP. DEMICCO (21ST): Then I’m satisfied. Okay. Thank you, Mr. Chair.

REP. ARCONTI (109TH): Excellent. Representative Gresko?

REP. GRESKO (121ST): Thank you, Mr. Chair. So this is what you are evolving into as opposed to a channel on my cable box? You will be an option on
this AT&T streaming so the funding would be equal yet a different technology or how are you evolving is a better question?

CHRIS BENNETT: The way we’re evolving is the current way we even send our signal to the cable companies are through an internet protocol television, but we -- for Nutmeg, we send it through Frontier and through Comcast in an IP TV spectrum. In terms of being on the streaming service, I don’t believe we will. I don’t know too much about this. As I said, I just received this article yesterday. I had no idea AT&T was doing something like this, but what they can do is send you a TV signal through any other ISP or MVPD lines as well, so they’re sort of circumventing what the law was supposed to be intended to.

REP. GRESKO (121ST): So the individual that decides to cut the cord and give up their service, I’m assuming they’re -- they realize they’re giving up the cable access service as well, but now you want them to pay for it even though there’s not going to be any?

CHRIS BENNETT: The -- We have had to adapt over the years to fit that need, so for example, Nutmeg has its own live streams and video on demand on our service. Unfortunately, that cost tens of thousands of dollars and we just could not afford that, so we had to migrate over to YouTube. That’s what our government officials wanted, that’s what our schools wanted, it’s what our residents wanted as well, so everybody who’s consuming our content now wants it on YouTube. In fact, the question I receive, and my staff also receive, the most is not when it’s going to air on the television station, it’s when is it
going to be on line because they want to share it and they want to get it out to their friends and families and the other people within their communities as well. So we’re still here.

JOAN SUTTER: Representative Gresko, I just want to add that to your point, Comcast has on their remote the YouTube ap and so Comcast is telling us, as their partner, to put our programming on YouTube, which we have, so we are on their system. Our partners are Comcast and Frontier, not necessarily AT&T, and what the consumer is paying for is the right to use the facility at no charge to create programming, which has been their right for the last 25 years in Connecticut, so that’s what they’re paying for. It’s not so much the channels; those are mandated federally to be on the system.

REP. GRESKO (121ST): Thank you, Mr. Chair.

REP. ARCONTI (109TH): Representative Steinberg?

REP. STEINBERG (136TH): Thank you, Mr. Chair. You mentioned earlier the importance of technologies as consumer behavior evolves, their habits evolve. I’m beginning to think that we’re going to have John up here next year talking about POTS line argument for cable to make sure people still have that option, but is it fair to characterize that the fees that you receive are sufficient to allow you to keep up with technology as well as the shift is going on or are you really still in a cable television paradigm from a production and broadcasting standpoint and will you need additional investment to keep up with the technology changing?

JOAN SUTTER: That’s a very good question.
CHRIS BENNETT: Yeah, technology changes very rapidly, to the point where even our cell phones now are more powerful than any computer that we used ten years ago from the public’s perspective. What we need to do going forward is really just shift gears and try and keep the technology up while also keeping costs down, hence why we went over to YouTube, not just because Comcast was basically saying hey, you should do this, it is also because it’s free. It’s free for us to use. We’re able to upload overnight. It doesn’t hurt daily operations to do that and it’s also what the public is wanting as well. We’re also finding that Facebook is also very lucrative in terms of viewership. I know Mr. Demicco, over in Farmington, there’s a high school building committee that is going on. We reported -- We were asked to report those meetings and hundreds of viewers tuned in because the library was packed, they couldn’t put any more people into the high school library, so that’s where the importance in whether technology needs to shift is trying to utilize free open services while also providing on the channel for those who still use the channel.

JOAN SUTTER: I’ll add to that, Representative Steinberg, that we currently do have to work very hard to stay up with technology advances. We are currently down converting our signals. We record everything in high definition. The cable companies won’t take us in high definition, but that’s for another day, but to answer your question, we do work very hard to keep up with technological advances and as much as YouTube and Facebook are wonderful, they are also not public companies, so they do determine what can and cannot go on, where public access does not do that.
REP. STEINBERG (136TH): Thank you, Mr. Chair.

REP. ARCONTI (109TH): Representative Piscopo?

REP. PISCOPO (76TH): Thank you, Mr. Chairman, and thank you for coming. I appreciate it. You made reference to a 5 percent that the state is withholding?

JOAN SUTTER: No, the state of Connecticut receives 5 percent gross receipts tax from cable, satellite, and video. Video is considered Frontier or IP TV, so if you go to the Department of Revenue Services and look at the revenue, there’s a line item under corporation taxes and railroad is there, electric is there, but also what’s there is cable and video and satellite, so 5 percent of those gross receipts come to the state and there was a loss of $27 million dollars over the last five years. None of that comes to us. That goes to the state, to the general fund. In other states, it does go to public access and municipalities, but here in Connecticut, it does not.

REP. PISCOPO (76TH): Oh, I understand, thank you. I think the one lament you always hear -- The first lament you also hear of someone cutting the cable is I miss my local accesses.

JOAN SUTTER: Yes, but then when they do cut the cable and they’re receiving video streaming, we send them to YouTube, we send them to our on-demand streaming services so they can watch it and the neat thing about it is they can watch it, they can move it around, they can scrub through it and only watch the sections that they’re most interested in.
REP. PISCOPO (76TH): And the reason you're here is because those on YouTube are not necessarily contributing?

JOAN SUTTER: Right. We’re here because our funding only comes from cable subscribers and as the companies migrate their service offers, which we’re delighted that they’re doing, the public’s left behind. We’ve been on that ride for 25 years. We need to stay on the ride because the channels belong to the public because of the use of rights of way.

REP. PISCOPO (76TH): Thank you again for your testimony.

JOAN SUTTER: Thank you.

REP. PISCOPO (76TH): Thank you. Thank you, Mr. Chairman.

REP. ARCONTI (109TH): Thank you. Any other questions? All right, thanks for your testimony.

JOAN SUTTER: Thank you.

REP. ARCONTI (109TH): Tom Castelot and John Ecay.

THOMAS CASTELOT: Good afternoon, Chairman Arconti and Needleman, and Representative Ferraro and everyone here and Joe Gresko. I’m Tom Castelot. I’m president of Sound View Community Media. We’re the public access station for the largest nonprofit corporation in Connecticut. We serve all of Bridgeport, Stratford, Milford, Orange, and Woodbridge. We’re on the Cable Vision LT system and also the Frontier system. A question was raised earlier about how many are there and I will tell you there are 22 nonprofit access stations in Connecticut and 15 multichannel video programming distributors or cable operated run stations in the
state. The regional Connecticut community access providers, which is what I am co-chair of, we represent the partnership with the largest regional CAPs in the state.

CAPs are mandated and regulated by PURA and PURA establishes the funding, which is paid to -- that the cable customers pay. PURA sets that fee and they set that fee annually. No fees are paid by the state of Connecticut. Today customer choice is changing how CAPs do business in providing commercial free local content products and services by utilizing, improving and enhancing technologies. CAPs are delivering products and services wherever, whenever, and by whatever customer means they’d like, meaning cable, internet, content-on-demand, or their mobile phones.

Raised Bill 176 allow for enhanced and new technologies offered by all multi-video program distributors and CAPs for commercial free local programming. It’s a win-win situation and a piece of legislature that benefits the customer, the state, our local governments, and all CAPs, including the nonprofits and the cable company run CAPS. So with that, I would like John to comment.

JOHN ECAY: My name is John Ecay. I’m the sound director at Sound View Community Media and I’d just like to emphasize that our studios are truly non-commercial and we train all of our directors, producers, editors, camera people free of charge, so all of the programming is provided by the public. It’s a true public forum and our first amendment guarantees that right and we do not editorialize any of the programming coming out of our studies. Thank you.
THOMAS CASTELOT: I would just like to add, several of the raised bills today would be ideal for cable cast on our public access channels, including the AARP, which we do programming for. Thank you.


CHARLES LEWIS: Good afternoon and thank you to all of you for your public service to this beautiful state of Connecticut. My name is Charles Lewis. I’m the director of the Valley Shore Community Television. We’re the newest of the -- one of the 22 nonprofits operating out of Water’s Edge Resort. I’m also a media professor at Middlesex Community College. VSCTV has provided a voice for municipalities to communicate with their constituents and for their citizens to express their freedom of speech and connect people and organizations in all of our communities. I’m here today to support the Raised Senate Bill 176.

I want to share the untold story and the hidden value of local community access that hasn’t been brought up to this point, how critical it is and how critical it is to Connecticut’s economy and the workforce. As a media communication educator for 30 years, I know firsthand how important cable access is to the thousands of students, young and old, who have learned specific employable skills such as directing, editing, videography, and many other employable skills. Many of these individuals are gainfully employed in the media world right here in Connecticut. A former student of mine, who had a learning disability, came to me as a student without much direction. He was disengaged from high school.
He spent three months volunteering at a studio and learning a variety of television studio crew positions at my educational access studio. At that time, this young man had discovered a passion for digital technology and studio technical directing.

Upon successfully graduating from high school, I helped him enroll in a two-year program at Middlesex Community College. I’m happy to report today that he is currently the technical director at Channel 30 WVIT. VSCTV works with the six public school districts across our nine towns to empower students to learn about media production and produce meaningful content for their community. One of the most popular programs involving our high school students is our live coverage of basketball games. Advancements in internet streaming technology allow us to broadcast live to our channel to anywhere with a high speed internet connection. Students produce, direct, and announce each game, giving them a real-world experience with sports broadcasting.

This experience works in concert with their curriculum and various media production courses at the high school. It also gives them a head start on their career, especially for those that want to continue in various higher education institutes here in Connecticut. At Valley Shore Community Television, we aim to build community through local media. It’s our goal to continue to provide a platform of free speech, education, and entertainment. I think a few essential points that need to be made, it’s the advancement of this technology that has created the problem that drives our request for legislative change. With this statute -- When the statute was originally written, perhaps 30 or more years ago, today’s ubiquitous
internet now functions much like a public utility did -- did not exist back then and therefore was not contemplated to be the resource through which much content is consumed today.

In closing, it’s consensus that this community television is an important public access, largely based on the principle that democracy requires an informed electorate. Local community programming often features interviews and discussions with state local representatives and senators and it allows them to interact with those residents and community leaders to keep them informed. Because of this, our elected leaders in the community have shared an interest in sharing community programming receives the necessary support. So the bottom line I’m trying to make here today is that community access television is so much more than the production of the airing of local content. It’s the heart and soul of our communities. If television systems are eventually forced to curtail their operations, this resource for educating the Connecticut public will unavoidably be lost, which is contrary to the public interest. Thank you so much.

REP. ARCONTI (109TH): Thank you for your testimony. Senator Formica?

SENATOR FORMICA (20TH): Thank you very much, Mr. Chairman. Thank you, sir, for your testimony and for coming today and for the good work you do. You heard a lot of the questions that we’ve asked and a lot of the testimony prior to you, which is all from your industry, you know, trying to push this forward. Is there anything that we’ve missed? Is there anything that you, you know, you've given the testimony on how well it works. We know public
access is important and how we’re doing. Is there anything we’ve missed here, anything that you want to add as a result of your experiences?

CHARLES LEWIS: I would introduce Chris Morgan. He’s my cable access director at VSCTV and Senator Formica, I would also like to applaud you on your constant involvement at our studio and doing some of the wonderful programming. Just last night, he was the host on the Pete Mezzetti Show, which he just celebrated also a young man with special needs. He just celebrated I think it was his 386th show.

SENATOR FORMICA (20TH): He’s wonderful and he’s an inspiration. He gets there and he operates that whole show and he does a very good job and I’m very happy to be a regular guest on that show.

CHRIS MORGAN: Absolutely. His show and many others are ones we’re proud of. I’m Chris Morgan and I’m the public access coordinator at Valley Shore Community TV and one of the things that we really need to emphasize is the fact that this is a free and open forum. It’s unedited content. It is a place for dissemination of free speech and various ideas and it belongs to the public. So the content that is created here is really what the value is and the technology, while it has empowered us to do a lot of great new things, it’s also kind of hindered our progression as far as funding goes. So I think Joanie said it best is having the fee follow the subscriber would ensure that this valuable resource is preserved going forward.

SENATOR FORMICA (20TH): Thank you very much. Thank you for your good work and for your testimony and taking the time to come up here today. Thank you, Mr. Chairman.
REP. ARCONTI (109TH): Thank you, Senator. Any other follow-up? Seeing none, thank you for your testimony. Jennifer Little-Greer, followed by Greg Davis.

JENNIFER LITTLE-GREER: Good afternoon. My name is Jennifer Little-Greer. I thank you for the opportunity to present on behalf of this bill. My name is Jennifer Little-Greer. I am a producer and a board member of Citizens TV, a public access franchise of New Haven, West Haven, and Hamden, Connecticut. I am pleased to be here today in support of Raised Bill 176. Less than one dollar per month per Citizen TV subscribers is what we’re talking about. We are asking internet users for public access program services to pay the same amount for those services as a local subscriber who gets them through their cable TV companies. They will not only receive more services, like live video streaming, video on demand, but better view video quality because CTV will control that what is not cable company, all for less than one dollar a month covering three channels.

I am the executive director of a nonprofit located here in Hartford, so funds for what we do is a daily constant issue for us. My agency has control over where it both seeks and assigns its resources. Public access TV does not. It cannot raise its own funds to the public and cannot charge fees. It is not advertised or fund raised on its own television channels. We rely on the legislators and state agencies for our funding. Aside from the nominal annual COLA increase, which has been as low as four percent per subscriber per year, Citizen TV has not received an increase in funding during my 12 years there as a producer and board member. I
respectfully ask that the Committee on Finance change this. Thank you so much for the opportunity to present on behalf of Citizen’s TV and regarding this bill.

SEN. NEEDLEMAN (33RD): Thank you, Jennifer. Would anyone like to comment? Thank you so much for coming today. Next up is Greg Davis, followed by Frank Facchini. Greg?

GREG DAVIS: Greetings. My name is Gregory Davis. I serve as a volunteer member of the Statewide Video Advisory Council. This council was created by Connecticut state law in 2008 and I have served continuously since its creation. The Statewide Video Advisory Council has only 23 seats on the council. Those 23 seats are appointed uniquely by the 23 cable franchise territory districts of the state of Connecticut. Just last night at a meeting of the Statewide Video Advisory Council, I am pleased to announce that a unanimous decision was made to support S.B. 176. The Statewide Video Advisory Council carries the same charge that is charged to the individual 23 cable advisory councils and that is to promote and protect a secure future for community access television. This S.B. 176 simply clarifies the definition of who is a subscriber to the wire that is generating business for the license holder, the license holder being the MVPD operation. Thank you very much.

SEN. NEEDLEMAN (33RD): Thank you so much. Does anyone have any comments, thoughts? I appreciate your time. Frank Facchini, followed by Andrew Kosarko.

FRANK FACCHINI: Good afternoon, Chairman, members of the Energy and Technology Committee. I’m Frank
Facchini, executive director of Southeastern Connecticut Television. This is the community access station in Groton. We’re often referred to as SEC-TV. In addition to Groton, we also serve the towns of Ledyard, Stonington, North Stonington, and Voluntown. I would like to provide you with some of the ways cord-cutting reduces money not only to community access stations, such as SEC-TV, but also to the state. Funding for SEC-TV from the current community access fees has declined each year since we opened in 2014. In 2017, our funding declined by $881 dollars, in 2018, by over $1,600 dollars, and in 2019, our funding declined by an additional $2,262 dollars.

We are facing the same challenges as the other community access stations across the state. Our operating expenses increase each year while our funding decreases. Viewers who choose internet instead of cable are still watching their programs on YouTube, Facebook, town and school websites, but not paying for the services we provide. In addition to the funding that community access agents are losing, the state of Connecticut is also losing revenue each year. The Department of Revenue Services for the state of Connecticut shows a decrease in corporation tax of almost $10 million dollars from 2016 to 2017. For 2017 to 2018, corporation taxes for cable, satellite, video decreased by more than $14 million dollars.

This loss of funding can be corrected by updating the law to address how evolving technology has changed the way people get their information. Just last week, we recorded a program with the representatives of the United States Census Bureau to inform residents of the upcoming census count.
An accurate count will help determine funding for each town, as well as the number of legislators dedicated to each town. After the program was safe, one of the first questions we were asked was how can this program be shown on the internet. This is just one example of how local, statewide, and national organizations are now relying on the internet for disseminating information. A few other examples of organizations using our services include the Department of Energy and Environmental Protection. They produce a show on voting safety. We have the University of Connecticut Avery Point branch. They provide us with their weekly basketball games for both men and women, the towns and schools of Ledyard and Stonington meetings, and local residents who just produce their own programs. There are more than 30 of them in production, actually, and request that we upload these programs to the internet.

It is my hope that you will support legislation that updates and revises the fee to follow customers who are increasingly turning from cable to internet delivery for their information. For less than a dollar a month, residents have the ability to view their town meetings, school meetings and events. They can learn skills in television production, editing, can produce their own show to present their views and bring issues of importance to all the citizens in their community. It is vital that the support for community access television be extended to internet delivery. Thank you for providing me with the opportunity to discuss this important legislation.

SEN. NEEDLEMAN (33RD): Thank you so much for coming today. Anybody have any questions or comments? Senator Formica.
SENATOR FORMICA (20TH): Thank you, Mr. Chairman. I have one quick question. Thank you for coming today. You say you serve Groton and the neighboring areas around the sub bases there. Any military activity that -- do they use any?

FRANK FACCHINI: They have in the past. They’ve done a couple of shows with us in the past. It varies from time to time, but one was called Undercurrents. The other one was called, I can’t think of the name of it at the moment, but it’s -- they do occasionally.

SENATOR FORMICA (20TH): Nothing huge to speak of, but you say they have used --

FRANK FACCHINI: Yeah, and we’ve actually recorded over the years the sub base closure hearings that have happened, so we try to cover anything that relates to the sub base because it’s an important economic engine to that part of the state, as you know.

SENATOR FORMICA (20TH): Perfect. Thank you so much. I appreciate it.

FRANK FACCHINI: Thank you.

SENATOR FORMICA (20TH): Thank you, Mr. Chairman.

SEN. NEEDLEMAN (33RD): Thank you so much for testifying.

FRANK FACCHINI: Thank you.

SEN. NEEDLEMAN (33RD): Andrew Kosarko followed by Pua Ford.

ANDREW KOSARKO: Good afternoon. My name is Andrew Kosarko. I’m the production manager at Citizen’s Television in New Haven, West Haven, and Hamden.
I’m going to spare you reading my thing because I feel like it’s been hammered a lot on some of the stuff today, but in spite of that, I will introduce myself as Patient 0. I am a millennial, as the definition would define, and believe it or not, I, even though I am the production manager at a local access station, have cut the cord. That’s right; I do not have cable television, but I still watch CTV. My wife still watches CTV. Usually when I’m directing a show, she’ll be texting me. She’ll be watching it live streaming on the internet at our house, whether it be through our Roku box or on her telephone. Frequently my friends are telling me the same thing. It’s like oh, I don’t know how to find you on the cable thing. I’m like yeah, that’s fine. You can find me on line and they’re like oh, that’s really cool. I want to watch that show, Nerd Talk, I want to watch this show, this or that.

There’s several different shows that so many facets of my life have contributed to. I have friends in the LGBTQ community. We produce a show with the Pride Center in New Haven, a nonprofit organization that works supporting LGBTQ members in the area and they have a monthly show where they inform the public about various laws or events or things going on in that community. To the question that was just posed in the last testimony, we provide a monthly show called The Sandbox Chronicles, in which the New Haven Veterans Association comes on and informs members of -- our veterans of the community about their rights, how to navigate paperwork, what they can and can’t do, bills that are being introduced, and so much more.

I cannot begin to stress to you how important it is that our entire mission continues through the
internet. We are on line, that is how it’s being carried. Those same cords that cover public territory are the same ones that carry internet and cable and oddly enough, recently or in one of the past testimonies, it was talked about AT&T’s streaming service. That’s the streaming service that I cut the cord and went to, so do you know what I mean? I am here as that freeloader who is using that service and I can tell you I want to support these services, I use these services, these informational services. This is the way of the future. Thank you.

SEN. NEEDLEMAN (33RD): Thank you so much. Does anyone have any comments? Very passionate.

ANDREW KOSARKO: Thank you very much.

SEN. NEEDLEMAN (33RD): I get yelled at all the time on TV by my other half, who’s constantly texting me to do something different, so.

ANDREW KOSARKO: Believe me, sir, my wife has made sure that my show, my personal show, was cancelled because I was talking too much, so I understand.

SEN. NEEDLEMAN (33RD): Thank you so much.

ANDREW KOSARKO: Thank you so much.

SEN. NEEDLEMAN (33RD): Pua Ford followed by Walter Mann.

PUA FORD: Good afternoon, Senator Needleman, Representative Ferraro, Senator Formica. I am Pua Ford. I have been the media issue specialist for the League of Women Voters in Connecticut for 12 years now. We recently updated our position on community access television, so it now reads “The League of Women Voters believes that community
access media, not just television, for public educational and governmental programming must be adequately protected, promoted, and funded, regardless of the provider of TV or video services or the platform on which it is delivered to Connecticut residences.” We’ve supported previous versions of this bill over the years. Local access, community access media, is still one of the best tools for our local leagues to educate the public of issues we track and is still one of the best means to get our local election debates and forums to the voters.

You have my written testimony, I hope. I have phone numbers that I tracked down from the excellent, excellent PURA website about how much money is leaking away from our community access providers. I would like to add that besides, I guess, the 22 nonprofit studios that we have in the state, there are also some 75 or 80 town-specific governmental and educational channels that do not receive this funding, but we get along.

Community access media in Connecticut has run very lean and very well. I live in Bethany. We pay Comcast for Xfinity service on the order of 65 cents a month for community -- to support community access. Never yet has PURA set an annual fee that is past $12 dollars, so everybody pays less than a dollar a month to help support this. One thing I would like to recommend is on line 12, there is a definition for video streaming. I believe that excited some testimony from the Motion Picture Association of America. That was the one that was in all caps. The intent of that definition is to include IP TV television, like Frontier TV and Verizon FiOs and not the streaming services like
Hulu or Netflix, YouTube, or the other site you probably think of when you hear streaming. And that’s all I have to say about that bill, I think.

On net neutrality, I just wanted to notice that Ars Technica dot com published a post yesterday saying that Supreme Court Justice Clarence Thomas now regrets the ruling that he wrote on Brand X, which allowed the FCC to start flipping and flopping on net neutrality, just something for you to think of and to keep track of.

SEN. NEEDLEMAN (33RD): That’s very interesting and thank you so much for that. I appreciate your testimony. Does anybody have any questions, comments?

PUA FORD: Thank you very much.

SEN. NEEDLEMAN (33RD): It’s not Walter Mann, it’s Spencer Clapp, followed by Bonnie Roswig.

SPENCER CLAPP: Good afternoon. My name is Spencer Clapp and also an AARP volunteer and parenthetically I would note that I am a proud constituent of Representative Gilchrest. We’re -- I would like to thank the chairs, the ranking members, and the members of the Committee for allowing me to testify today before you. I’m here to support actually three bills this afternoon, S.B. 175, electricity shutoff notifications, S.B. 177, energy consumption and data labeling, and S.B. 178 regarding energy efficiency standards.

S.B. 175 would broaden the types of notice utilities may give customers prior to termination of utility service to include electronic mail, text message, and phone calls. You previously heard from the senator regarding, I believe, this area of the bill.
It would require gas and electric distribution companies to report the aggregate number of utility service terminations, disconnections, and reconnections, and would require the PURA to examine the termination practices of the gas and electric companies and report to the legislature its findings.

Disconnection of service is one of the most disrupting events in a customer’s life. Customers should be able to choose a notification method other than the U.S. mail required as a the sole means of official notification of a utility’s intent to terminate service. Additional forms of notice may be useful to some customers. Some customers no longer pay great attention to so-called snail mail. More and more communications are made by email and text. I believe previously the senator gave the data on that. Retaining the mail requirement for subsequent notices, however, is a valuable way to ensure a notice that can be tracked and that is a reform and legally, that would be very important to have that verification.

Examination of the actual experience of customers and utilities will provide information to assist in understanding disconnection of essential gas and electricity utility services in Connecticut. A proceeding will allow interested members of the public to provide information they have gathered on disconnection from the consumer’s perspective. We respectively suggest the following amendment to strengthen the bill. Insert the following language at the end of Section 1; each gas and electric utility shall notify its customers, when requesting information on alternative modes of communication notices, that the information may be used for
purposes for notices of termination and other important notices and shall provide an opportunity to the customer to specify the use of the mode of communication most likely to provide actual complete and timely notice. I would just note in ending that AARP takes no position on S.B. 177, Section A, however, we strongly support Section C regarding home buyers knowing the energy usage and their property when they're looking to buy a home and also that we support S.B. 178 regarding increasing energy efficiency standards and giving the commissioner the authority to implement those new standards in a manner and on a time schedule that achieves efficiency goals at reasonable costs for the consumers. Thank you.

REP. ARCONTI (109TH): Thank you, Spencer. Thank you for your testimony. Questions from the Committee? Representative Gilchrest?

REP. GILCHREST (18TH): I just want to say thank you so much, not only for being here today, but for your advocacy. Thank you.

SPENCER CLAPP: Thank you.

REP. ARCONTI (109TH): All right. Seeing no others, thank you, Spencer, for your testimony. Bonnie Roswig, followed by Jessica Cain.

BONNIE ROSWIG: Good afternoon, Senator Needleman, Representative Arconti, and distinguished members of the Energy and Technology Committee. My name is Bonnie Roswig and I’m an attorney with the Medical and Legal Partnership Project of the Center for Children’s Advocacy. The work of the center is to address the needs of the state’s poorest and most vulnerable children and families. I’m testifying in
support of Senate Bill 175 concerning electric shutoff notifications. So on an ongoing basis, I get calls from frantic parents stating that their utilities have been turned off, so thank you so much for raising Senate Bill 175.

Increasing notifications for -- Increasing notification mechanisms for informing customers of utility shutoffs will be a huge asset to these families. So getting notice will create all kinds of opportunities for families. Number one, hopefully it will encourage them to call the utility companies to find out what’s going on and how they can address their problem. Once this happens, hopefully the utility companies will very clearly be able to tell them a number of things. Number one, whether they're eligible for winter or hardship protection, number two, direct them to the community action agencies to apply for energy assistance, and number three, to give them opportunities to enroll in affordable payment arrangements. All this is around hopefully avoiding utility termination and as we talked about earlier today, the affordability issue of ongoing utility bills. There are a number of programs that make it much more affordable and therefore monthly payments are relative to income as opposed to a number which is just not affordable.

The other components of this bill are also incredibly important and it supports all the extensive work that PURA has done around addressing the issue of energy affordability. Getting ongoing data is key. No one in the state, no one, should get turned off during a hardship period, yet the numbers show that any number of our very poor at at-risk families are shut off during the winter months. We need to see what’s going on, we need to see why
people are being shut off in the wintertime, and also the number of people shut off in the summer months, so we can address that problem, also, getting the additional information that the bill requests will also be very helpful in terms of understanding the exact notifications that the companies give to families and also around reconnection fees. If the family shouldn’t have been shut off in the first place because they should be hardship protected, then fees should not be assessed.

So that is my testimony today. Thank you so much. This bill will go a long way to helping these at-risk families because we never want any of our families to sit in the cold and the dark. Thank you again. I’m happy to answer any questions you may have.

REP. ARCONTI (109TH): Thank you, Bonnie, and I would absolutely agree with your last sentiment. Are there any questions from Committee members? All right, thank you so much. Jessica Cain? Following Jessica will be Deb Polun.

JESSICA CAIN: Good afternoon. My name is Jessica Cain and I’m vice-president of customer operations for Eversource Energy. I’m offering testimony on Senate Bill 175, which proposes to expand the existing statutory requirement for notice via U.S. mail to customers who have pending termination and to extend that to email, text, and phone numbers — and phone calls. I should state the last thing the utility wants to do is turn off power for customers. Eversource proactively communicates with all of its customers and across channels increasingly in previous years to ensure customers are aware of the
status of their accounts. We already communicate via email to all of our customers with disconnect notices and with text messages for those who select text messaging as an option.

We fully support Senate Bill 175’s proposal to require us and public service companies to provide additional notice of an impending termination via email and text, including the requirement to put customers on text notifications versus requiring them to sign up for it. Similar to some of the testimony you’ve heard today, either written or verbal, from OCC, the attorney general, PURA, and UI, unfortunately and however there are telephone scams by unscrupulous third parties who are pretending to be the utility and asking to collect debt in order to prevent your service from being shut off. That is a real issue today and we’re very concerned that scammers will further exploit that fear with customers in Connecticut around shutoff notifications via a phone call, which is the number one channel for scamming, and this would be a disadvantage, obviously, for customers.

For these reasons, Eversource supports the expanded notifications via email and text, including putting customers on text notification versus requiring them to select that, but we do believe that phone call notification will likely increase scamming efforts and the effectiveness of those scams to our most vulnerable customers who respond to those scams. We will continue to work collaboratively with our key stakeholders to protect our customers and based on the foregoing, we respectively request the deletion of the phone call notification requirement and thank you for the consideration of our testimony.
REP. ARCONTI (109TH): Thank you, Jessica. Thank you for your testimony. Just a quick question, the same one I posed to UI earlier, do you have a reconnect fee and do you also have a same-day emergency reconnect fee and are those -- if you do, are they different? Is one higher than the other?

JESSICA CAIN: We do. So our standard reconnect fee is $48 dollars and that is different from UI. We do not have Smart Meeting or AMI. We roll trucks and people into the fields. About four years ago, we requested -- We went to PURA and actually requested the addition of a same-day reconnect option for customers. That option had not been available. It’s not required by PURA. It is not offered in Massachusetts or New Hampshire. And that said, those are fee-based services where you’re rolling folks on overtime after hours to restore services. Those -- We do not refer to them as emergency same-day reconnect services. That is $107 dollars when you do -- When we do go to AMI, those costs come significantly down, as well as with our PURA utilities that have AMI. We’re about a quarter of what PURA utilities do for a percentage of our customers that we disconnect. We’re very low compared to AMI utilities.

REP. ARCONTI (109TH): Okay. Thank you for those answers. Senator Needleman, then following will be Representative Ferraro.

SEN. NEEDLEMAN (33RD): Thank you so much for coming today. Do you have a timeline for installing Smart meters?

JESSICA CAIN: We have an active docket with our new -- Under PURA, one of the -- under the energy affordability different sprints. There is one of
those efforts that’s looking at AMI and the business case around it. The last time we fully revisited that with PURA was probably 2009, but we are looking at that again now.

SEN. NEEDLEMAN (33RD): So UI, the other utility, is already set up with electronic meters? They don’t have to send a truck out? They just push a button and they disconnect or reconnect?

JESSICA CAIN: Correctly, remotely from the mother ship.

SEN. NEEDLEMAN (33RD): Yeah, the mother ship. So to me it doesn’t seem right that we have these two different standards in the state and I would suggest that as soon as possible we rectify that because I think a lot of things can get solved, especially with the public perception that this, and I’ve spoken to other people at Eversource. I know it’s not the case, but there is a public perception out there that this is a profit center for Eversource. It’s not, but people think that, and as a matter of fact, more than one of our senators thought that, so I think you need to get on the stick and fix this and come into the 21st Century with your metering and figure out how to do it as quickly as possible. The fees are significant, the notifications are a problem, in my opinion.

Texting is one way to do it. I remember years ago because more and more people now don’t even look at their mail. You know, mail just gets tossed in the garbage because people are on autopay. They don’t even think to look and then some people get switched from autopay without realizing it for some reason and a month goes — months go by, a month and a half, and the next thing I know, they’re coming home
and their power is off or about to be turned off and not wanting to bring anybody’s name into this, that actually happened this week to one of our colleagues. Not a great thing and -- it was accidental, it was an oversight. There was some level of personal responsibility, however, by the time all was said and done within that half hour period, I think they got home as the service was being disconnected, it cost them a deposit, the $107 dollar fee, the back payment, all because of a mistake.

So that person had to come up with $300 dollars, which you have a job, you can afford it. It’s not an unsurmountable amount of money, but to some people, that’s a life-changing amount of money. We need to make sure that that does not happen and that’s the whole purpose behind the docket -- I mean, behind our bill, why we want to fix this, get everybody up to the same standard, eliminate the problem in the state. It’s bad publicity for Eversource, it’s bad for the state of Connecticut, so we are looking for a solution here. The other thing is, years ago I remember if you were late on your bill, there was a second notice sent to you in an envelope, if I remember correctly.

JESSICA CAIN: I think it was red.

SEN. NEEDLEMAN (33RD): Red, yes.

JESSICA CAIN: It still does, yeah.

SEN. NEEDLEMAN (33RD): You still do that?

JESSICA CAIN: Yeah, this is the envelope. So we put the red bar on here and kept that on there because people think mail is junk mail otherwise.
SEN. NEEDLEMAN (33RD): So as I ask you why, could you do me a favor and just detail out your notification process. You send a bill, it doesn’t get paid, what happens next? When does the next bill come? What does that look like and what is the time at which you shut people off so we can sort of have a little bit better idea as we move this forward? We are also concerned about the phone scamming issue and we need to address that, but we still want to do something to help the consumers in the state.

REP. ARCONTI (109TH): Thank you, Senator. Representative Ferraro?

REP. FERRARO (117TH): Thank you, Mr. Chair, and thank you for your testimony today. I just have a couple of things I want to ask you. With regards to the Smart metering, what do you -- Do you have an estimated cost and what it would cost to implement Smart metering across Eversource customers?

JESSICA CAIN: We don’t right now, but PURA requested this past fall that we prepare to bring that business case back to PURA.

REP. FERRARO (117TH): And the reason why I ask is if -- it would certainly send the message that Eversource was serious about installing the Smart meters if they have done the due diligence and even had a cost estimate as to what it would cost because the fact that you don’t have it makes people think that well, we’re just talking here, you know?

JESSICA CAIN: So I --

REP. FERRARO (117TH): Go ahead.
JESSICA CAIN: So I actually had led our Smart metering pilot back in 2009 for Connecticut and at that time, we do a new business case probably every few years, it was marginally not cost effective and usually it comes out -- it had come out like that before, so every few years and now it’s been a few years -- two years since we’ve done the last one and that’s what we’re doing right now at PURA’s request.

REP. FERRARO (117TH): Okay. You know, I don’t know how you measure cost effectiveness because generally speaking, the cost is usually spread out over the ratepayers anyways and my other question regarding Smart metering, if you do implement Smart metering and you have the ability to turn a customer on from your headquarters or from your main building, mother ship, whatever, that would eliminate the reconnect fee, would that not?

JESSICA CAIN: It would come down extremely significantly. I know UI, I just asked them as well, there’s still something there, but it’s all -- the technology that’s doing it.

REP. FERRARO (117TH): I just think it’s high time for the customers to get a feel-good from the utilities who’ve they’ve been paying all their lives, are going to continue to pay for the rest of their lives, it would be nice to see that kind of a give back, you know, from the utility and give these people that type of feeling. The other thing I just want to comment on, your comment regarding the scam artists, you know, they tried numerous times to pull that off on me at the karate school and the first time I got it, I have to admit, I was pretty concerned about it and I’m thinking to myself, well, I know I just paid this, you know, I’m going to put
you through to our main office and, of course, it’s just another guy and all that and they finally made their mistake. They told me that -- I finally said to them who are you representing and he said oh, we represent Eversource and I said there’s only one problem, I get my electricity through UI. And so they’ve gotten more sophisticated since then and I was just wondering at this stage, you mentioned you're very concerned about it, what have you done to combat this or what are your plans in the future to combat this?

JESSICA CAIN: Several things. So one, we belong to the Utilities Unite Against Scammers. It’s a national organization with over 40 utilities participating. We work collaboratively to be able to identify processes to shut down scammer phone numbers and then marketing. We share marketing geo information, so if we find that in let’s say Willimantic, there’s a geo targeted effort for scamming. We will push information to customers in that area saying beware and here’s the nature of the scam. We’re constantly pushing out messaging through a monthly newsletter as well that goes directly to our customers. We have about 70 percent of our customer email addresses and that’s a regular message. It hurts our reputation, it takes money out of customers’ pockets, and it’s a very real concern for our industry and for Eversource.

REP. FERRARO (117TH): Might you consider just a disclaimer on the bill itself? In other words, if you get a phone call, you know, such as XYZ, contact us at this number immediately, something like that?

JESSICA CAIN: On the bill, too? Yep, yep, and we have a news for you section on the bill and I can
see if that’s already in one of those rotations, but that’s a good idea, and we don’t do the outbound calling prior to a disconnect for that reason because there are too many bad actors out there.

REP. FERRARO (117TH): Well, thank you for your testimony. Thank you, Mr. Chair.

REP. ARCONTI (109TH): Representative Meskers?

REP. MESKERS (150TH): Thank you for the commentary. I want to comment. Senator Needleman, though he didn’t know it, I, about a year and a half ago, came two seconds within cut off of my gas bill and simply because my credit card had renewed with a new code or expiratory date, so never bothering to pay attention to the bill, I got to that point and about I think a little over a month ago, maybe two months ago, I got a call quote/unquote from Eversource, where I called back and having worked on Wall Street and being a suspicious and potentially cynical guy, the delivery was incredibly good, to the point where I had the credit card out in my hands and I don’t want to announce what the trigger was, but they made a trigger that I thought this is ridiculous. I looked outside. There was nobody sitting there with scissors to cut off my electricity and I asked them where I could go to voluntarily pay my bill and I got a click. So the scamming is a real issue. I would recommend in addition to the red lettering that maybe on the back of the same envelope, a message goes we don’t call on service cutoffs. Make sure if you have an issue, this is our service number, right? Because the scamming is only improving on every iteration, which is why I didn’t tell them what the trigger was that caught me on
mine, so I encourage that with all that you do there.

JESSICA CAIN: Thank you.

REP. MESKERS (150TH): And I think the comments by Senator Ferraro are -- or Representative Ferraro are super important. I think we’ve got to do something in relation to making the cutoff and reestablish lines less onerous financially. That is a tremendous burden for pp.

JESSICA CAIN: Yep.

REP. MESKERS (150TH): Thank you.

REP. ARCONTI (109TH): Representative Steinberg.

REP. STEINBERG (136TH): Thank you, Mr. Chair. I just can’t resist asking, are you convinced that Smart meters are safe, meaning both from health impacts and security.

JESSICA CAIN: So not being a part of that docket, more than half of our peer utilities in the nation have Smart meters, so they’re over a decade old now, so I’m not -- I don’t think that there’s any concern that we have about Smart meters being a safety issues, however, even without Smart meters, we do get customer complaints, especially in New Hampshire, about perception of our existing AMR drive by automated meter reading meters, about those meters being Smart. We’ll get form letters that are copied and pasted across the -- It’s the same content complaining -- perceiving that they have a Smart meter. So there’s -- there are some people who believe that and have for a decade, even if they don’t have a Smart meter, but, you know, both put out a radio signal.
REP. STEINBERG (136TH): I know something about getting form emails, but in terms of the security of Smart meters, which has been an issue for some, you’re convinced your technology is secure?

JESSICA CAIN: I think I would have to defer that to our -- to the PURA hearings. I haven’t been close to the physical metrology in about a decade, but yeah, period. I’ll defer on that one.

REP. STEINBERG (136TH): I’ll accept that. Thank you. Thank you, Mr. Chair.

REP. ARCONTI (109TH): All right. Seeing no others, thank you for your testimony.

JESSICA CAIN: Thank you.

REP. ARCONTI (109TH): Deb Polun?

DEB POLUN: Good afternoon. For the record, my name is Deb Polun and I’m the executive director of the Connecticut Association for Community Action, or CAFCA. We are the state association that works with Connecticut’s nine community action agencies. Community action agencies serve about 250,000 people across the state every year, including in your district, your constituents. I’m here today to express our support for Senate Bill 175, which utilizes a multifaceted approach to help prevent utility shutoffs, which as you know, have escalated dramatically in Connecticut this year.

The community action agencies are interested in this bill because among the many, many social services we provide to our customers, we also help them enroll in energy assistance through the low income home energy assistance program, LIHEAP, or in Connecticut, it’s known as CEAP, Connecticut Energy
Assistance Program. Every year, the community action agencies help about 81,000 households enrolled in CEAP to help them pay their energy bills, but we know that even though CEAP is a great resource to people facing financial hardship, it sometimes just isn’t enough and customers still fall behind on their bills and that’s why we need the hardship status, as well as the time period where electricity and utilities cannot be shut off from November to May.

So we have this in place, but we know that the shutoffs are increasing, so what’s happening? This is why we like Senate Bill 175 because it takes an approach to look at why the shutoffs are increasing, as well as putting into place some measures to try to decrease the shutoffs. We like the idea of providing better notice to consumers in a broader array of methods for that, getting information from the utilities on the number of terminations, and ensuring that the bills clearly state the due date and the policies around shutoff and we think that’s really important, as well as reviewing the reconnect fees.

I know you’ve heard a little bit about these hundred-day sprints that PURA is offering right now and our agency, CAFCA, as well as some of our community action agencies are also participating in those in order to help come up with some ideas, sort of a short-term task force to bring the stakeholders together to come up with recommendations around this, and we expect we’ll have some recommendations for the legislature as early as this spring on this specific issue. So I want to thank this committee for paying attention to this issue on behalf of
people across our state. I’m happy to answer any questions.

REP. ARCONTI (109TH): Thanks, Deb. I’m looking forward to seeing those recommendations. Any other questions, comments from Committee members? All right, seeing none, thank you for your testimony.

DEB POLUN: Thank you.

REP. ARCONTI (109TH): All right, moving on to Senate Bill 181, our first public -- Francis Pullaro?

FRANCIS PULLARO: Good afternoon, Chairmen Arconti and Needleman, Ranking Member Ferraro, members of the Committee. My name is Francis Pullaro. I’m the executive director of RENEW Northeast, which is an association of developers of large renewable energy projects and environmental advocates. I’m here to testify concerning Senate Bill 181, to take this opportunity to express our continued appreciation for this committee’s work over the last couple of years to accelerate the renewable portfolio standard and require the Department of Energy and Environmental Protection to conduct the procurements for large wind and solar resources.

Over the next couple of years, I think the state has an opportunity to build on these successes, so as you consider studying energy needs for this state, RENEW would suggest that DEEP set procurement dates for the remaining 1,200 megawatts of off-shore wind and the issue this year in procurement for some of the land-based resources, particularly the large ones, the state has had considerable success with those. The large solar prices are some of the lowest for new energy resources that we’ve seen and
that includes fossil fuels as well. And we’d also support having some kind of procurement for some of the kind of mid-sized projects, the 2 to 20 megawatt range, that could really benefit projects that would be located in Connecticut as well.

And finally, RENEW supports, with its growing membership of energy storage developers. RENEW supports adopting here in Connecticut a 1,000 megawatt energy storage requirement with regular and predictable state procurements. Our membership would like to see that the deployment maximize low-cost, large, and stand-alone storage resources. Many of my members are developing projects in New England. In fact, there’s over 2,000 megawatts of large energy storage that’s looking to connect through ISO New England and several of those projects are actually located here in Connecticut. We also believe that there could be some benefit to doing some distribution level projects, but would strongly recommend that if that be done that it be done through competitive solicitations and that competition is very important for consumers and that these projects not be rate-based energy storage. It’s like any type of generation that really lends itself to competition and if we’re going to do it cost effectively, it needs to be done through competition and I look forward to speaking perhaps next week on that. I understand that bill just came out last night, so with that, I thank you very much.

REP. ARCONTI (109TH): Thanks, Francis. You’re about a week early on just about everything you testified on, though. A lot of --
FRANCIS PULLARO: Even though you give me an open-ended bill like an energy study, I’m going to take two bites of the apple.

REP. ARCONTI (109TH): A lot of the idea and concepts you were talking about regarding storage, we have a lot of those rolled into House Bill 5351, so I’m looking forward to seeing you next week.

FRANCIS PULLARO: I’ll try to say something different.

REP. ARCONTI (109TH): But any other questions? Representative Steinberg.

REP. STEINBERG (136TH): Thank you, Mr. Chair. I’m eager to talk about storage, too, but I’ll wait a week. You mentioned wind and I know it’s something you’ve been involved with for a while. Are you as concerned as I am about the progress on wind in the northeast, particularly given Noah’s sort of slowing down with everything and what’s the impact going to be on some of the suppliers’ of wind if we can’t start moving forward on projects pretty quickly?

FRANCIS PULLARO: Well, the roll out is definitely -- I think you’re probably referring to offshore winds? It’s definitely a challenge. The regulatory climate in Washington has not been favorable. The process has slowed down. I think at first, we thought maybe the first project, the review, would be completed much sooner, but, you know, we’ll see. I think they are being deliberate and we can only expect that by the end of the year, things will be wrapped up, but I would also add, though, that we shouldn’t forget about land-based wind. There is a considerable opportunity still in New England and
while Connecticut’s resources are limited for land-based wind, they are here.

I think there’s a couple pockets that we can still develop, but probably the cheapest resources on the renewable side that we have at this moment are land-based wind and solar, which are quite plentiful in Maine, they’re just bottled in because the region hasn’t figured out how to make the transmission investment there. So even if you were to figure out -- even figure in the cost of the transmission upgrades needed to tap those resources in New England, it would still be the cheapest resource. In fact, if you look at Massachusetts’ recent procurement where they secured community and hydro, that project actually wasn’t even the top-ranked project or the second one. It was actually the two renewable proposals were top ranked, so my guess would be those are probably wind, largely wind, and solar projects with associated transmission, so very competitive. DEEP already has that, over 1,000 megawatt procurement authority that could be used for land-based resources and we should figure out as a region how to work with the other states to make all that happen.

REP. STEINBERG (136TH): I agree with you. We haven’t done that so far, but there’s still opportunity. Thank you, Mr. Chair.

REP. ARCONTI (109TH): Any other questions for Francis? All right, see you next week. The next group I have is a group together, Sam Rajendran and Giri Agrawal and Joel Rinebold. I apologize for butchering your last names.

SAM RAJENDRAN: Okay. Good afternoon, everybody. Good afternoon to the chairs. My name is Sam
Rajendran. I’m with my president, Dr. Agrawal, R&D Dynamics from Bloomfield. We are here, about five miles from here. We wanted to talk to you about -- emphasize the importance of waste heat in Connecticut and the importance of using that energy to improve -- to reach our target for RPS 40 percent by 2030. So the company founded by Dr. Agrawal is based on his aerospace technology that he has developed for 40,000 airplanes currently -- right now flying around the world and he basically took that and expanded it also to commercial application and one of our recent ventures is waste heat to electricity system, which is an organic ranking cycle system that takes waste heat from any source, like for example, these lights in this room, they emit heat. Any process, any energy conversion process, whether it’s a copper cell, fuel cell, they all have waste heat that getting dumped. That’s how most -- More than 50, 60 percent according to U.S. Department of Energy studies showed this energy -- Connecticut’s 40 percent of energy comes from nuclear and 50 percent comes from natural gas, gas from engines. This waste heat is 60 percent of the 90 percent can be retrieved and used back into the system and it’s zero emission, completely clean. So we want to support this 181 study to include waste heat to electricity, as well as the House Bill 5227, to include waste to electricity system for RFP, just like an aerobic digester.

So this 60 to 20 percent when captured can meet almost 20 percent of the demand in Connecticut, so the Connecticut demand is about 5,000 megawatts; 10,000 megawatts can come from this wasted source of electricity, energy, as a thermal energy coming from fuel cell, gas turbine engines, nuclear power
plants, compressors, any sort of industrial process, heat treating, food processing. They all dump an enormous amount of waste heat and that can be converted and it hasn’t been done economically because of the poor machinery performance and we have gotten over this hurdle by using Dr. Agrawal’s foil/gas bearing technology, which is completely oil free. There is no oil in the system. That makes a night and day difference in efficiency, reliability, and maintenance free operation, which enables to make this a quick payback for a small industry to use this, either a heat treating place or pizza maker or food processing, Campbell soup.

They can convert all this waste heat into useful electricity and give us zero emission electricity and we just want to emphasize that to this committee and if they can support this, that’s going to grow business in Connecticut. We are a 75-people company right now. We want to grow 150, 200, 300 people and this product has a unique advantage. It can be a $200 billion dollar business just in the United States itself and with China, Europe, India and all the countries, nations, countries, there is enormous potential for us to market and manufacture this right here in Connecticut and put Connecticut back in its manufacturing, bring back the manufacturing, and energy efficiency back in the state. I would like Dr. Agrawal to continue on this.

GIRI AGRAWAL: Sam said everything. One of the things I am going to discuss is the economy benefit to Connecticut. I have a track record of generating over a $200 million dollar a year business for aerospace technology and I’m proud to use the same technology and develop a unique Thermo-Gen, which can generate a million dollar business for
Connecticut and create jobs. Connecticut needs the technology. Connecticut needs the job -- needs a company like this which can -- which can expand.

Right now, I am developing a new technology for ships for South Korea which -- using aerospace technology. People are knocking on my door. When I took the -- when I took a trip to South Korea about a year and a half ago, the CEO of the ship manufacturer had a red carpet because they wanted the technology for ships. Same technology, we can create that energy here and also create jobs for Connecticut. So this includes putting our minds together, you know, so that’s all I have to say here and if anybody wants to know more about it here, you can visit our place and get a firsthand knowledge and feel about it. That’s all I have to say.

SEN. NEEDLEMAN (33RD): Well, thank you so much for testifying and talking about this technology. I don't understand exactly what you're building and making. Is it similar to a co-generation facility where you generate heat and you use the heat to generate electricity or are you just putting it --

GIRI AGRAWAL: The heat can come from any source.

SEN. NEEDLEMAN (33RD): Okay.

GIRI AGRAWAL: The heat is already there here which you are toying with.

SEN. NEEDLEMAN (33RD): I get -- I understand that. So you talked about lightbulbs. What would a machine look like that did that? I mean, what physically --

GIRI AGRAWAL: Physically it is like a gas turbine which generates the electricity. When the gas goes
in the air, I mean, the gas convert needs a very high temperature. Here we can take the 100 degree or 200 degree temperature.

SEN. NEEDLEMAN (33RD): So one of the feed fuels will be gas? No?

GIRI AGRAWAL: No, the fuel is there and the heat from the fuel you throw away in the sky and you get that heat and convert it.

SAM RAJENDRAN: Let’s say we had a smokestack. So you’ll put a heat exchanger in there. You will pick up the heat through a fluid, either let’s say hot water, and then that will drive our engine to produce electricity.

SEN. NEEDLEMAN (33RD): Okay.

SAM RAJENDRAN: Think of it just like a steam cycle, but this can operate at very low temperature.

SEN. NEEDLEMAN (33RD): Right.

SAM RAJENDRAN: So anything that cannot be taken away by the steam cycle, this can go and take -- that’s why it’s called a low-grade waste heat.

SEN. NEEDLEMAN (33RD): So I’m assuming you work for Pratt & Whitney or United Technologies?

GIRI AGRAWAL: I worked for Hamilton Standard. I received project in [inaudible *5:07:23.2] and I developed a new environmental control system based on that, nothing here, not just before that, that are being used right now every aircraft in this world, including civil and military.

SEN. NEEDLEMAN (33RD): So primary customers right now are larger industrial customers?
GIRI AGRAWAL: No, no, every year a brand new flight, every year a brand new flight from here to Tokyo.

SEN. NEEDLEMAN (33RD): And you take the heat out of the jet engine?

GIRI AGRAWAL: No, no, heat has nothing to do with it.

SEN. NEEDLEMAN (33RD): Okay.

GIRI AGRAWAL: That’s a separate thing.

SEN. NEEDLEMAN (33RD): That’s why -- Explain it to me. You develop environmental systems?

GIRI AGRAWAL: Environmental systems.

SEN. NEEDLEMAN (33RD): Okay.

GIRI AGRAWAL: Okay. Using environmental systems, we’re being overhauled every year.

SEN. NEEDLEMAN (33RD): Correct.

GIRI AGRAWAL: Now that I improve this system here, we fix the -- You know, for ten years, [inaudible *5:08:18.1] -- it doesn’t need any overhaul.

SEN. NEEDLEMAN (33RD): Right, okay. So that’s your primary business and the heat generation is a new business?

GIRI AGRAWAL: Okay, no.

SEN. NEEDLEMAN (33RD): No. I’m confused.

GIRI AGRAWAL: Every system in the world has a moving part. The human body has a heart, okay? Making electricity from waste heat is a system which is 100 years old, but they did not have this engine, which [inaudible *5:08:45.4] -- the -- every -- Your
car has an engine, okay, air conditioning has a compressor, every system on this earth has a moving part which is an [inaudible *5:08:58.7], okay. I developed -- I’m a master on this engine, okay. If NASA decides to send a power pack through the -- [inaudible *5:09:12.9], they contact me to make this master engine, okay, and when U.S. Environmental was running [inaudible *5:09:22.9] in South Vietnam, the system -- the airplanes --

SEN. NEEDLEMAN (33RD): I’m just trying to -- I think that this is an off-line conversation at some point and a visit to your facility, but what is the primary product that you sell right now out of your Bloomfield facility?

GIRI AGRAWAL: Okay. Bloomfield facility here, Bloomfield facility I have two businesses here, aerospace and commercial.

SEN. NEEDLEMAN (33RD): Okay.

GIRI AGRAWAL: Okay. All these systems which I built for company around the 40,000 aircraft, I still have spare parts for that.

SEN. NEEDLEMAN (33RD): Okay.

GIRI AGRAWAL: Okay. Aerospace;, because there aren’t too many people in this world who can make the spare parts for these engines.

SEN. NEEDLEMAN (33RD): Okay.

GIRI AGRAWAL: Because I developed this engine for the large company, so I know this knowledge.

SEN. NEEDLEMAN (33RD): So that’s not specific to the heat --

GIRI AGRAWAL: No.
SEN. NEEDLEMAN (33RD): Okay.

GIRI AGRAWAL: The second part is -- My second part is I -- whatever money I earn from that system, I developed this system here because, you know, I developed, but I have the Thermo-Gen system and also I have the waste water here. There are several things I am developing here, that’s my life’s goal. That’s my life’s goal.

SEN. NEEDLEMAN (33RD): Right.

SAM RAJENDRAN: We’d like to welcome you to our facility.

GIRI AGRAWAL: This is not a company -- This is not a company here --

SEN. NEEDLEMAN (33RD): I understand.

GIRI AGRAWAL: -- where we have started money-making teams here.

SEN. NEEDLEMAN (33RD): Okay.

GIRI AGRAWAL: This is a life’s goal here. I’m 83 years old, I work ten hours a day, because I believe if I -- after I leave this earth, this technology will die.

SEN. NEEDLEMAN (33RD): Well, I -- we don’t want anything to happen to you, but at least we wanted to work before you go.

GIRI AGRAWAL: That is the reason -- That is the reason here, you know --

SEN. NEEDLEMAN (33RD): I promise you we’re going to take a visit out there and talk more. We do have to move on tonight, but thank you so much for everything. It’s really an interesting step
forward. We just have to learn more about how it works and how what we do can fit in to making it -- to incentivize it. Thank you.

GIRI AGRAWAL: Thanks.

SAM RAJENDRAN: Thank you, Senator Needleman. Thank you, Representative Ferraro.

REP. ARCONTI (109TH): Representative Ferraro.

REP. FERRARO (117TH): Excuse me, before you leave, I just have a suggestion. Maybe for the purpose of this committee, if you could put together something written where we could read about it and learn a little more about it because the communication here is very difficult and I do think there’s a lot of interest in this technology. I remember you came in last year and here we are a year later and no one knows anymore this year than we knew last year.

SAM RAJENDRAN: Okay.

REP. FERRARO (117TH): So maybe a nice written proposal would be great.

SAM RAJENDRAN: We can do that and then --

REP. FERRARO (117TH): And even a video would not be bad. That would be great. Thank you.

SAM RAJENDRAN: Okay. We can do that. We welcome you all to come and visit us. We’re not far away, so this would be a cool manufacturing facility. It would be very interesting for you, for the members to see.

REP. FERRARO (117TH): All right. Well, thank you for your testimony.

SAM RAJENDRAN: Thank you.
REP. ARCONTI (109TH): Yeah, I think I failed --
Maybe we can work with our -- Yeah, go ahead.

REP. FERRARO (117TH): I’ve always chuckled a little bit when we call Millstone clean energy because they take two billion gallons of water out of the sound every day and they heat it to a temperature that they’re permitted to heat up to a temperature of 80 degrees. Would your process change some of that heat energy into mechanical energy?

SAM RAJENDRAN: Electricity.

REP. FERRARO (117TH): Electrical energy.

SAM RAJENDRAN: Right, so we can take all the waste heat they’re dumping and then produce electricity from it. It will drop the temperature of it. It will also reduce all the heat impact that we are dumping all this heat into the Long Island Sound.

REP. FERRARO (117TH): Right. So if you could use two billion gallons of water at 80 degrees, roughly how much of a drop in temperature would your process produce?

SAM RAJENDRAN: So 80 degrees, let’s say that’s like geothermal, so 160, we can drop it down to maybe 100, so even lower.

REP. FERRARO (117TH): One hundred?

SAM RAJENDRAN: One hundred F, so AEC, I think it’s like 150F, so we can drop 50 degrees depending on the size of the system. We can drop either 50 degrees delta or 75 or 100, so the system -- So it’s all again payback, so we can drop bigger delta, but the payback will be longer, so it depends on who they are and how they want the payback to be. So we can definitely drop that. That’s one of the things
that we mentioned that 40 percent of the electricity comes from nuclear, so they’re dumping a lot of waste heat, which is impacting the environment big time, so we can go in and take all those and then convert it into useful electricity. That will grow the business and drop -- good for the environment.

REP. FERRARO (117TH): Thank you, Mr. Chairperson.

REP. ARCONTI (109TH): Thank you. All right, thank you for your testimony. Tom McCormick?

TOM MCCORMICK: If you go to People’s Advocate for Clean Energy website, it explains heat pumps in detail in very concise action. It’s People’s Action for Clean Energy Heat Pumps, it will explain all to you.

REP. ARCONTI (109TH): All right.

TOM MCCORMICK: I have to make broad comments because I have a lot of comments --

REP. ARCONTI (109TH): Just introduce yourself for the record.

TOM MCCORMICK: Tom McCormick, West Hartford. I have to make broad comments because I can’t go in three minutes through all these bills. I appreciate efforts here on these bills are totally insufficient. It’s think, think, think, guys, you need a revolution in energy usage in this country. You have to consider something. The last time the earth’s CO2 level is where it is now, Greenland was ice free, Greenland was ice free, and that’s where we’re headed and we’re headed there rapidly. This is not something 100 years out, this is rapid sea rise, catastrophic sea rise. I think Greenland’s ice alone is three -- about 20 feet, maybe 19 feet
sea rise, just Iceland’s ice, you know, from Greenland. So your programs here have to be greatly expanded in energy efficiency especially.

We need a mandatory house by house retrofit for energy efficiency and if someone doesn’t like a mandatory program like that, I simply say you have no right to pollute and society and the community as a whole has a greater right to protect itself from pollution and from extreme heat because we are headed towards a runaway hothouse Earth. Feedback system after feedback system in the climate is pushing temperatures ever higher and it’s not only temperatures. One feedback loop is cloud cover. It wasn’t understood exactly how cloud cover was interacting in the climate system. Well, the clouds are going to less and less and it’s going to get hotter.

As you clean the air, it’s going to get hotter. If it gets a little bit hotter, CO2 comes out of the peat. If it gets a little hotter, the hydrates on the ocean floor in the Arctic regions come up to the top. Forests die off and turn to scrub lands, fires. You have a whole system reinforcing each other. And there’s one thing that’s not been talked about and it’s really quite serious. It’s oxygen depletion in the atmosphere. Very little is known about this, but we are on a pathway towards a Keeling type hockey curve of oxygen depletion on this planet. As the ocean sucks up more CO2, it becomes more acid and as the ocean becomes more acid, the creatures, the biota in the ocean, that are the main producers of oxygen on this planet start to die off. It’s not just the rain forest dying off the oxygen supply, it’s the stuff that’s happening in the oceans. And I’ll just end with
this, I’ll send you a bunch of stuff on the severity of the climate crisis and I just -- convince your colleagues. You’ve got to do a whole lot more than you're doing. Start by putting the energy efficiency funds that the legislature robbed back to energy efficiency and I’ll with this. I’m concerning about the Green Bank because there’s been some very corrupt practices there and I hope you’ll look into the Green Bank, what they’ve done with the nonprofit they’ve set up. Thank you.

REP. ARconti (109TH): Thank you, Tom. Any questions? Seeing none, thank you for your testimony. Great. We’re moving on to Senate Bill 5. First up, Russell Hanser.

RUSSELL HANSE: Good morning Chairman Arconti, I guess Ranking Member Ferraro, and other distinguished members of the Committee. My name is Russell Hanser. I am a partner at Wilkinson Barker Knauer, LLP, a law firm in D.C, where I practice privacy and communications law. I really appreciate the opportunity to come here and testify today on behalf of the New England Cable & Telecommunications Association. Everyone agrees that it’s important to protect internet openness and that it’s important to protect consumer privacy. This is not a debate between people who like those things and people who don’t like those things. Everyone likes those things. The question is how do we get there and the bill before you is neither legally permissible, nor an effective way to achieve those goals.

I provided quite lengthy written testimony. You’ll be happy to know I do not plan to March through it. I just want to make a few high level points and given the discussion you’ve had this morning and
earlier this afternoon, I want to focus on net neutrality, although I welcome questions on the privacy piece as well if you’d like to talk about it. So first thing, broadband ISPs are fully committed to net neutrality. They have made legally enforceable public commitments not to block, throttle, or discriminate against any lawful internet content or device.

I heard these described earlier today as certain comments they have made. These are not comments. These are commitments that are enforceable and they can be sued by your attorney general and they can be sued by the FTC if they violate them. They are enforceable today. Even apart from that kind of enforcement, these activities, blocking, throttling, discrimination against lawful content or traffic, they would harm the broadband providers themselves and they know this because those providers can only succeed by winning and maintaining consumers’ trust and long-term business. Our Representative Cheeseman earlier mentioned the growth from one ISP ISP to four in her area in just the past few years. The key significance of competition is that when providers view things that customers don’t like, they leave. That’s the key motivators for providers.

Second, there’s just no need for a state net neutrality law. We’ll get to the legality in a moment, but the FCC does have a regime in place. It requires ISPs to inform customers of their net neutrality commitments and all of the business practices and service criteria associated with their internet service product. The FTC, under the current Chairman Simons, has made clear that he intends, the agency intends, to carefully monitor
ISP’s practices, they’ve been doing so, and they’re going to take action against any unfair or deceptive practices they see. The FTC also, even apart from commitments, has brought antitrust authority to bring action against any ISP that attempts to harm online competition. For example, by adopting practices that unreasonably or unfairly disfavor certain kinds of content.

Third, S.B. 5’s net neutrality positions would replicate a regime that harms consumers. The FCC reported in 2018 that between 2015 and 2017, from when the FCC’s 2015 Title 2 order was adopted, until when the agency announced plans to overturn that, investment dropped dramatically. Specifically new wire line investment dropped by 55 percent and wireless broadband appointments dropped by 83 percent compared to the two years before that FCC decision.

And fourth, to get to some points we’ve been talking about, these provisions would be both unwise and unlawful. The FCC under Democrats and Republicans alike has determined that the internet is inherently inter-state, it is quintessentially inter-state. Even in a single browsing session, you are trackable when you bounce around multiple states, and as a result, federal law must govern. The FCC’s, again, 2015 order under President Obama’s second chairman, Tom Wheeler, prohibited states for this reason for regulating in this area and the more recent order did that as well. So you’ve heard a lot about Mozilla today from various people and I really -- we really need to correct the record on Mozilla. So -- And I’m happy to answer questions to get into more depth --
REP. ARCONTI (109TH): Can you summarize?

RUSSELL HANSER: Yeah, sure, I’ll try. I’ll summarize. So Mozilla was the case that -- in which the D.C. Circuit reviewed the FCC’s order that rescinded the net neutrality rules that had been in place and that reclassified broadband internet access as an information service. That’s a classification it had had for 20 years before the 2015 order shifted it to what’s called a telecommunications service, subject to much more regulation, and then said nothing that any state could do could be lawful. So those are the three main things it did. It went to the D.C. Circuit. The D.C. Circuit upheld on the reclassification they were a lightly regulated information service. I want to mention the Justice Thomas dissent, too, that you heard about, so it went back to that and it said FCC regime was reasonable, this regime that relies on disclosure of practices backed by FTC enforcement and state enforcement.

And then it came to preemption and I really urge you to read the preemption decision, whether or not you're a lawyer or a country legislator or what. So what the court said was hey, FCC adopted what it calls the preemption principle and the preemption principle says no states can do anything in this area, no how, no way, whether or not it conflicts with federal law and the D.C. Circuit federal court said you can’t do that, FCC. There is preemption authority, but you just can’t say nothing states do ever is going to be okay. You have to look at it and see whether it actually conflicts and we heard a quote earlier that -- in which the FCC -- excuse me, in which the court said the preemption principle was unlawful, that’s true, but what was unlawful about
it was this universal application without seeing the law. So I urge you to go look specifically at pages 142 through 143 of the slip opinion and it’s 940F, third, page 85, I believe, where sort of the bottom line in this preemption decision discussion comes and what the court says is, if the commission can explain how a state practice actually undermines the 2018 order, then it can invoke a conflict preemption. Conflict preemption comes --

REP. ARCONTI (109TH): Out of respect for the public, the timer went off twice now, so I’m going to just ask if there are any other members of the committee that have questions. Representative Ferraro.

REP. FERRARO (117TH): Thank you for your testimony and thank you, Mr. Chairman. You kind of got at what I was trying to ask earlier and the question I had was that while the decision put a stay on states like California and Vermont, it didn’t open a spigot and say now states are allowed to go ahead and do their own net neutrality law. In fact, the thing that I tried to find an answer to was if the state of Connecticut were to enact its own neutrality law, if the commission was able to prove that that was in conflict with the repeal of the 2018, then they -- that would open the state up for liability?

RUSSELL HANSER: That’s correct and S.B. 5 is an essentially word for word attempt to reenact the specific regime that the FCC overturned, so does it conflict? Well, it attempts to do exactly the thing that the FCC found was the wrong decision on which it was upheld by the D.C. Circuit as being within its authority to decide.
REP. FERRARO (117TH): And just to be clear, what 2018 did was, it didn’t really repeal as much as it restored original protections of the internet?

RUSSELL HANSER: That’s right. So as I mentioned, this regime that as put in place in 2015 was in place for roughly two years. Before that, there were never -- There was virtually never in effect these kind of requirements, so it restored the original status quo.

REP. FERRARO (117TH): Okay. I thank you for your answers.

RUSSELL HANSER: Thank you very much.


REP. WINKLER (56TH): Yes, I have read some of that decision and couldn’t disagree with you more, but we’ll just move on to I’m looking at tens of millions of dollars that were reported by those communication companies for lobbying against the net neutrality rules and asking that they be eliminated and my constituents ask me if they’re never going to do it and they pledge not to do it, why would they spend all that money to kill the rule. What’s the answer to that?

RUSSELL HANSER: That’s a great question. I don’t want to answer both points. So just to be clear, I’m not asking anyone to agree with me or disagree with me. I’m saying look at the decision, so -- and you can all draw your own conclusions, so please. On your question, it’s a great question. What the ISPs have committed to do and have always committed to do is no blocking, no throttling, no discriminatory conduct with respect to content. The
ISPs have for as long as I can remember been good with those. They’ve committed to those practices. The concern they had litigating against the FCC’s regime was -- it was twofold. One was it placed broadband internet providers in this category known as sometimes Title 2 or common carriers, where they were subject to a large wealth of the obligations that apply to telephone companies, designed in the 1930’s for monopoly telephone companies, and then related to that it is opted what is often noted as the general conduct standard and that’s the standard that says okay, in addition to no blocking, no throttling, no paid prioritization, anything else you do, we might decide we don’t like later on and we may punish you for it and tell you you can’t do it anymore.

That is the piece that the providers have always been concerned about and you can understand why, right? Because when a broadband provider in a very competitive market, in a very fast moving market, is talking about well, can we introduce this plan, can we introduce that kind of plan, the last thing they want is to introduce a plan, go through millions of dollars of marketing, designing the plan, configuring the network, only to be told two years later you know what, we think that was unlawful. You’ve got to pay this big fine; you can’t do it anymore. That’s the piece that they’ve been uncomfortable with. They’re not going to do any of the things that have always been of concern, the blocking, throttling, prioritization, anti-competitive prioritization. They’re just concerned about this great uncertainty from the general conduct standard.
REP. WINKLER (56TH): I have seen some very precise legislation in this building. My question is, if one part they didn’t like and one part they committed to, why didn’t they just spend all those tens of millions of dollars going after the part that they didn’t like? How come they took them both down?

RUSSELL HANSER: So I invite you, it’s a great question, I invite you to read the brief that the ISP has filed with the D.C. Circuit in the last round of the litigation when they were challenging those rules. What you’ll find is that they do not criticize the blocking rule, the throttling, and the paid prioritization rule. They aim their fire on this classification issue of treating it like a telecommunications service. This is why the ISPs have been in federal congress saying essentially please adopt bright-line rules, no blocking, no throttling, etc., but please don’t put in this bucket where anything we can do, we might be subject to fines in three years and being told we can’t -- They did focus very much, and I was involved in the brief, you’ll see my name on the brief, so these were discussions and this was a clear directive that the companies wanted to take not to oppose those.

REP. WINKLER (56TH): Looking at the power of the communications industry, even within this building, if they really wanted net neutrality to be part of the law, they could have it. They could spend tens of millions of dollars to get it written into the law. The fact that there is no net neutrality law at the federal level, in my opinion, means the communication industry doesn’t want it. It could have it if it wanted it. I mean, nobody would get in the way. So there just seems to be something
wrong with the scenario that I don’t quite understand and I’ve never been able to explain it to my constituents, either.

RUSSELL HANSER: So I respectfully disagree that it all lies in the ISP’s hands. So the ISP has, again, been there saying please adopt the no blocking, what we call the bright-line rules, please adopt the bright-line rules. There are folks in -- there are folks in this debate who say those bright-line rules are not enough. We need this general conduct standard. We need to have the FCC have broader authority to substantively come in and declare anything unlawful and that has been the nut -- sort of the kernel of this dispute and I think that’s why we have not seen the legislation. It’s not because the ISPs don’t want it, it’s not because the other side doesn’t want it, it’s because they disagree on this very fundamental point.

REP. WINKLER (56TH): Yes, well, in this business, you take half a loaf all the time, but thank you, Mr. Chairman.

REP. ARCONTI (109TH): Thank you, Representative. Representative Allie-Brennan.

REP. ALLIE-BRENNAN (2ND): Thank you, Mr. Chair, and thank you for coming today.

RUSSELL HANSER: Thank you.

REP. ALLIE-BRENNAN (2ND): What do you mean when you say this bill would burden consumers and broadband providers and conduct the most basic interactions?

RUSSELL HANSER: Yeah, so thank you.

REP. ALLIE-BRENNAN (2ND): I went through the testimony and --
RUSSELL HANSER: So right, that part of the testimony was with respect to the privacy portion of the bill and the privacy portion of the bill has multiple provisions, but in one set of relative provisions here, it says the ISP cannot make any use of or share certain kinds of personal information, customer information, without affirmative consent, distinct affirmative consent. One of those pieces of information listed in the bill is the IP -- is the IP address of the customer. You need to use the IP address to direct your customer’s internet traffic. You have to say essentially hey, CNN dot com, hey, Drug Report dot com, whatever it is, my customers at IP address such and such wants to see your content. So sharing an IP address is sort of at the heart of what ISPs are doing every moment that they are trying to do their customers -- conduct their customer’s business on line, and yet under the bill as it’s worded, it appears what the ISP has to do for every time the customer types in the URL has to say to the customer well, in order to get you there, I’m going to have to tell them your IP address, am I allowed to do that, and would not be allowed to do it if they couldn’t.

And then making that a little bit more problematic, let’s say for whatever reason the customer said no, I don’t allow you to use my IP address, another provision of the bill says the ISP can’t define service, can’t refuse to serve on the basis of that customer denial of permission to use the IP address, so that really puts the ISP in a bind. It has to serve the customer, even when the customer makes a choice that prohibits it from being able to be able to -- or precludes it from deriving service. So
that’s what I meant in that section of the testimony.

REP. ALLIE-BRENNAN (2ND): Thank you.

RUSSELL HANSER: Thank you.

REP. ARCONTI (109TH): Representative Piscopo.

REP. PISCOPO (76TH): Thank you, Mr. Chairman, and you’d probably be a good one to ask this, has there ever been -- is there any example you can give us of any ISP that has had a blocked or a problem with block or throttling?

RUSSELL HANSER: No, it really is, I think, as Representative Ferraro said earlier, it’s a solution in search of a problem. Now, I can’t say like 20 years ago when the dawn of the internet did something, I don’t know. One example of that comes up a lot you heard about earlier which is the allegations against Verizon with respect to some firefighters. That was actually not a net neutrality problem. That was a case in which, as you may know from your mobile plans, many mobile providers offer plans that say essentially you can get 6 gigabytes a month at 4G. If you use more than that, then you’re going to go to 2G speed, you’re going to have lower speed if you use a great deal. This fire department bought a plan like that. By the way, the 2015 Obama era FCC decision expressly allowed those kind of plans, it’s paragraph 122 of the 2015 order, expressly allowed that.

Now, I think once the -- once people complained I think the ISP said you know what, even if they bought that kind of plan, probably from here on end, we shouldn’t be doing that, we won’t do that, but it wasn’t a matter of net neutrality. It was that they
bought this sort of off-the-shelf, relatively discount plan and probably wasn’t the appropriate plan. You know, whether or not it was appropriate for an ISP to enforce the plan at that moment, they probably weren’t thinking about a specific thing. But to loop back to your question, examples -- real-life examples of net neutrality violations are kind of like the jackalope. They’re hard to find.

REP. PISCOPO (76TH): Thank you. Thank you, Mr. Chairman.


GERRY KEEGAN: Thank you, chairs, members of the Committee, Gerry Keegan with CTIA, the trade association for the wireless communications industry here in opposition to Senate Bill 5. CTIA and the wireless industry support an open internet, but we oppose piecemeal state by state regulation of what is truly an interstate broadband service, mobile broadband services. We also oppose this legislation because there are strong consumer protections currently in place, making this legislation unnecessary. As you heard the Federal Trade Commission once again has the authority to police broadband providers and their service offerings and bring any action against any provider that is acting unfairly, deceptively, or anti-competitively with regard to their network management practices.

The U.S. Department of Justice can also enforce antitrust law in this space and state attorneys general also have a role in enforcing consumer protection laws of general applicability against any
provider that is acting unfairly or deceptively. In addition, the FCC’s current net neutrality regulation has a transparency requirement that requires broadband providers to disclose extensive information about their service offerings, their network management practices, and their pricing. State by state regulation of mobile broadband services brings up the issue of what law applies to what user and when. In the context of my members, mobile broadband providers, does the law apply where a consumer purchase service where the consumer is currently located or where the cell site that is transmitting the data is located. Such a patchwork of state by state regulation is untenable. So in closing, we believe this legislation is unnecessary. Again, strong consumer protections remain in place. Thank you. Going to take any questions.

REP. ARCONTI (109TH): Yeah, Senator Duff made mention Washington State that neutrality bill. Right?

GERRY KEEGAN: Yes. Washington State has passed a net neutrality bill along with California and Vermont. CTI is currently litigating the laws in California and Vermont. Both attorneys general in both states have stipulated to non-enforcement of those laws pending the outcome at the D.C. Circuit.

REP. ARCONTI (109TH): And is Washington enforces the law or are they also?

GERRY KEEGAN: Washington law’s effective, but we have not seen any enforcement action.

REP. ARCONTI (109TH): Okay. Representative Ferraro?

REP. FERRARO (117TH): Just a follow-up on Representative Arconti’s question, so you are
currently litigating three states with regards to their net neutrality law. Is that correct?

GERRY KEEGAN: Currently litigating in California and Vermont.

REP. FERRARO (117TH): Not in Washington?

GERRY KEEGAN: Not in Washington.

REP. FERRARO (117TH): Is there any reason we’re not -- you’re not litigating in Washington?

GERRY KEEGAN: We are looking at the California law because of how extensive it went and also the Vermont law because of the certain provisions in that piece of legislation.

REP. FERRARO (117TH): Okay. The reason why I ask is kind of like copyright law in a sense. If you allow somebody to use your trademark long enough and you don’t do anything to enforce it, it almost becomes acceptable law and if you are against net neutrality and somebody is operating under net neutrality law, a state law, and you're not doing anything about it, at what point does it become, you know, something that needs to be litigated?

GERRY KEEGAN: California and Washington share the Ninth Circuit, so what we expect coming out of that litigation will also apply in Washington.

REP. FERRARO (117TH): Okay, because as you noticed from the proponents of the bill, and you were very clear on the kind of oversight that we do have on the bill currently from Washington, D.C., in incurring law, it would not be accurate to say that there is an oversight on violations of throttling and blocking, etc.?
GERRY KEEGAN: That’s correct. I think the activists on the other side of this issue when this issue first came up in 2017 alarmed people that there was going to be absolutely no enforcement authority, that no one would be able to bring any enforcement action against any provider that may be acting anti-competitively and that’s just not the case.

REP. FERRARO (117TH): And as you’ve heard from the last person who testified, the occurrence of such things are so rare that it almost doesn’t exist. In your experience, are there IPs out there that are actually violating the not throttle law, no blocking law that you know of?

GERRY KEEGAN: No, none at all, and I think we’ve all discussed the Verizon allegation, which was not a net neutrality allegation at all. Those plans, as he noted, would be supported by the 2015 order, but I know of no ISP that is blocking, throttling, or discriminatively acting towards their network management practices.

REP. FERRARO (117TH): All right, thank you for your testimony. I appreciate it very much and thank you, Mr. Chair.


REP. GRESKO (121ST): Thank you, Mr. Chair. Real quick, and I asked this question last time around, but just because there’s no complaints doesn’t mean that it’s not happening. How would I know that I’m being throttled or blocked if the broadband is expanding enough to accommodate for the increased flow?
GERRY KEEGAN: Representative, it wouldn’t be a consumer to know that they are being blocked or throttled. It would be on the content provider’s side, so for example, if Netflix saw that their traffic to their consumers would be throttled or blocked, they would be aware of that and they would make that either a complaint or make that publicly available.

REP. GRESKO (121ST): So none of the providers have issued any complaints?

GERRY KEEGAN: That’s correct.

REP. GRESKO (121ST): Okay. Thank you, Mr. Chair.

REP. ARCONTI (109TH): Representative Winkler.

REP. WINKLER (56TH): Yes. If a provider in Connecticut, and only in Connecticut, thought that they were being throttled, who would they go to?

GERRY KEEGAN: If a Connecticut content provider believed that they were being throttled, they’d go to the state’s attorney general.

REP. WINKLER (56TH): The attorney general has an investigative arm for internet?

GERRY KEEGAN: They would go to the consumer protection bureau or whatever division that usually deals with consumer complaints because once again, my members, as well as other ISP providers, have made public statements that they will not block, throttle, or discriminate against traffic, so that would be a violation of the state’s UDAP statute.

REP. WINKLER (56TH): One of the things I do know is the state bureaucracy and it is my opinion that nobody is set up to regulate this area. The
attorney general doesn’t have the people or the expertise. The consumer protection agencies in this state do not have the people or the expertise. It sounds like one of those deals that all the protections are in law and none of the protections are in fact. Can you point to the last time that there was a major complaint concerning billing or anything else concerning the people in your association and who pursued for -- on behalf of the -- or have you never violated any regulation or whatever?

GERRY KEEGAN: I can’t remember the last billing complaint or something related in that nature. We have a consumer code of conduct in the wireless industry that’s been around for approximately 20 years that addresses many of those issues and we’ve worked with states attorney generals, I believe 47 of them, when it was initially enacted to address issues like billing, so if we do have an issue there, I would hope that my members have rectified that with the individual consumer applying that consumer code for wireless service.

REP. WINKLER (56TH): Outside of your industry, is there anybody in the state bureaucracy has enough expertise and knowledge and whatever to reach into your system and do some research on their own?

GERRY KEEGAN: I would again say it wouldn’t be up to the state to do that. It would be content provider in your example, the Connecticut content provider, who would bring that evidence to the state attorney general if there was a complaint lodged.

REP. WINKLER (56TH): So let’s pretend CTM had a beef, how would they get the information they needed to go to the attorney general?
GERRY KEEGAN: If a content supporter saw its traffic was being throttled or its traffic was being blocked, there are ways that they can see that. There are various applications out there that can show a provider that that was occurring.

REP. WINKLER (56TH): Thank you, Mr. Chair.

REP. ARCONTI (109TH): Thank you, Representative. Seeing no further questions, thank you for your testimony. Representative Piscopo.

REP. PISCOPO (76TH): Thank you, Mr. Chairman. I just had a quick question. I was trying to read your testimony and I was wondering; you make reference to was there a slowdown in '15 when net neutrality was invoked on the whole -- on the nation, '15 through '18? Is there --

GERRY KEEGAN: So Representative, CTIA has done an annual survey of our membership going back, I believe, 30 plus years and what we saw in the period between 2015 and 2017 was an approximate $6 billion dollar drop in network investment. For antitrust purposes, I can’t say why that was caused, but we only have seen drops like that during severe economic downturns. In our most recent survey in 2018, we saw an increase of $1.8 billion dollars in network investment, so I think that’s an important indicator of how regulatory certainty drives investment.

REP. ARCONTI (109TH): Anything else? All right, thank you for your testimony. Thank you. John Emra and following John will be Dan Lyons.

JOHN EMRA: Good evening, Representative Arconti, Senator Needleman, Senator Formica, and Representative Ferraro. My name is John Emra. I’m
here with AT&T. I’m here to testify in opposition to two bills, Senate Bill No. 5 and Senate Bill No. 176. Just with respect to Senate Bill 5, you’ve heard from a couple of witnesses. I will associate myself with their remarks, but I think it’s worth noting, we’ve heard of this a little part as part of the questions tonight, that some two years ago when the FCC issued its Restoring Internet Freedom order, there was a huge outcry from some advocates that this would be sort of the end of the internet as we knew it, right? The world is going to come to an end, it will turn into some sort of dystopian future, but in fact, if you look and see the internet as you know it, nothing has changed. The same services you’ve ever gotten, you’ve continued to get. There hasn’t been any blocking, there hasn’t been any throttling. To Mr. Keegan’s point, the industry has actually not only invested, but invested in more money in its network, providing better speeds to its customers.

And the super reason why is because AT&T and other ISP providers have adopted these net neutrality principles. They’ve made part and parcel of the way that we do business. We think it’s important, our customers think it’s important that we provide those protections and that’s what we do. So I think frankly this legislation is fundamentally unnecessary. Now, I’ll leave it to some of the other experts who spoke to you before to talk about preemption, but I do think it’s worth noting right where we do have two other lawsuits today in both Vermont and California, if preemption wasn’t still an issue, those lawsuits, frankly, would have gone away and they haven’t, right? I think that speaks
volumes about the fact that states are still preempted from acting in the space.

Let me just turn very quickly to Senate Bill 176. I listened to some of the PEG providers earlier and I understand they provide a very valuable service. I would caution you against this proposal that is in front of you. It was less than a year ago that the General Assembly for the first time subjected streaming services to the sales tax. Right streaming services are really where the video business is going. It’s what consumers want today. In fact, most studies that are there indicate that consumers spend about $37 dollars a month on streaming services, so if you sort of do the month, the sales tax that was enacted here in Connecticut less than a year ago means most households in Connecticut will pay somewhere around $30 dollars a month in sales taxes just on their streaming services and what this legislation would do is just add another new fee onto those services of at least $5.00 dollars a month, so we don’t think that makes a lot of sense. I can also just tell you just from a we’re not sure how this would work perspective, the legislation that says you’d only be charged on one streaming service, not on other streaming services.

I’m not sure how one streaming service would know to assess you that tax while another one wouldn’t do that and it’s important to understand, too, that these streaming services, people subscribe for these services for a limited amount of time. For example, they might want to start watching Game of Thrones and subscribe to HBO Go. They watch the show and then they unsubscribe from the service, right? It’s not something that people necessarily are
subscribing to on a yearly basis. So again, do I think the PEG programming provides a valuable resource in terms of local coverage? I do, but I think Senate Bill 176 is fatally flawed in terms of the answer that it is trying to propose. With that, I’m happy to take any questions you have.

REP. ARCONTI (109TH): Thanks, John. You currently pay sales tax on your regular cable service. Correct?

JOHN EMRA: We do, correct, yeah.

REP. ARCONTI (109TH): So really, you know, paying a sales tax on a streaming service, it’s just keeping up with current practice?

JOHN EMRA: No, I’m not suggesting the sales tax in itself was the problem.

REP. ARCONTI (109TH): No, I know. That’s like trying to keep up with the times and making sure our revenue streams follow historical ways how the government collects revenue.

JOHN EMRA: Correct.

REP. ARCONTI (109TH): I mean, I think that’s the overarching argument for 176 or 5, is that just keep with current practice.

JOHN EMRA: Yeah, I mean, and I can definitely see - - I know Governor Lamont, he made a comment, right, we’re no longer the Sears and Roebuck economy, right, and I think in that respect he was right, so it makes some sense. I would just suggest that adding fee on top of that sales tax I think doesn’t make a lot of sense.

REP. CHEESEMAN (37TH): Thank you, Mr. Chairman. Yes, and this is -- Thank you for your testimony. This is more of a general comment. We appear to be trying to enact legislation to control something that covers the entire country, not confined to one state and I would have thought as a state in Connecticut, if we really wanted to do something to address an issue that’s going to affect a lot of people in this state, we should look into the sale of the dot org domain to a private equity company and there is a great fear that they’re going to drive up the cost of that and there are hundreds of nonprofits in this state would could be affected, so I would have thought that was a much better use of our time as opposed to chasing a problem that doesn’t exist. Thank you, Mr. Chairman.


REP. DEMICCO (21ST): Thank you, Mr. Chair. Mr. Emra, I just wanted to pick up on your comments about bill number 176 and maybe you were in the room earlier when --

JOHN EMRA: I heard some of it, not all of it, so.

REP. DEMICCO (21ST): So I was trying to determine a way to express this that made sense. So doesn’t it make sense that if somebody gets this service through one medium and is required to pay a fee that they should be required an equal fee just if they receive it through another service, another way? Wouldn’t that just be fair?
JOHN EMRA: So I would -- I’d like to maybe put a little more definition around what you're asking. So you're saying if you're paying, in this case, PEG services over your cable channel, right, if you're watching over the internet, should you have to pay for it then? Is that your -- I can buy into the rationality of that argument, yeah. I would say the state, and this is my written comments, the state is prohibited by federal law from assessing any fees or taxes on internet service. The was passed by the U.S. Congress in 2015, so this mechanism in and of itself won’t work. Do I see the sense of making sure that people are paying for services they’re using and I do? So, you know, what the PEG services need to do is create a firewall, right, no different than frankly if you look at -- I know some people get frustrated, right, when we’re all on a news site and we want to look at news and we end up with a firewall. At the end of the day, news services have created firewalls because they need to paid for their content, so perhaps what PEG providers need to do if they’re going to put their content onto the internet is create a firewall and require subscription service to it. Maybe that’s the right answer.

REP. DEMICCO (21ST): I hadn’t thought of that, but thank you.

JOHN EMRA: Thank you.

REP. ARCONTI (109TH): Anybody else. All right, thanks, John. I appreciate it.

JOHN EMRA: Thank you.

REP. ARCONTI (109TH): Dan Lyons? Following Dan will be Kelly Moore.
DAN LYONS: Mr. Chairman, members of the Committee, thanks for inviting me here today. My name is Daniel Lyons. I’m a professor at Boston College Law School where I teach and research in the areas of telecommunications, internet law, and federalism, but I should note that I’m here today on behalf just for myself. There’s only two points about Senate Bill No. 5. First, I think it’s unlikely that Connecticut has the authority to enact the bill’s net neutrality provisions because I think the bill is probably preempted into this Supremacy Clause and second, I think even if you did have the authority to do so, there’s good reasons why you might not want to adopt either the net neutrality or the ISP privacy rules.

On preemption, and I think you've already heard a little bit about this, as you know, the Restore Internet Freedom order repealed federal regulation similar to what S.B. 5 would oppose. When the D.C. Circuit upheld that order in the Mozilla case, the court said if the commission can explain how a state practice actually undermines the 2018 order, then it can invoke conflict preemption. Conflict preemption occurs when state laws frustrate the accomplishment of a federal objective. That’s language drawn from a Supreme Court case called Geier and the fact pattern in Geier is very similar to the facts you have here.

Because the communication pact is very vague, the FCC has a wide range of potential options for regulating internet access. It can all the way from a completely hands off rule to the full common character regime with all the bells and whistles that we used to put on the old Bell empire. The agency chose a spot between those two poles. It
shows a robust transparency and disclosure regime, backed by general consumer protection and antitrust law, but it exclusively declined to impose blocking, throttling, and paid prioritization flat bans because they found that those would harm consumers in innovation. S.B. 5 would re-impose exactly the restrictions that the FCC had rejected inconsistent with its comprehensive regulatory framework and so I think because it would frustrate a federal objective, it’s preempted under the Supremacy Clause as interpreted by Geier, but I think even if you could adopt net neutrality rules, there’s good reasons why you might not want to.

Where the rubber hits the road on net neutrality is the issue of paid prioritization, right, the favoring of some traffic over others. It’s important, I think, to remember that there are good and bad reasons why you might want to prioritize traffic. So for example in the event of congestion, and we can get into this more in Q and A if you’d like, you might want to prioritize a telemedicine ap over entertainment videos, cat videos, right, or a web page, particularly the web browser isn’t likely to notice that he’s being throttled, whereas the telemedicine ap, because of its latency, is much more susceptible to not working in the event of congestion.

The rules deny network traffic management. That kind of flexibility, because of the fear that prioritization might be abused, is sort of like throwing the baby out with the bath water. I mean, before you do that, it’s really important to understand the unintentional consequences of a per se ban because you might be forbidding good prioritization. Also some thoughts, if you're
interested, on the ISP specific privacy rules, I think it’s probably a bad idea to invoke an enhanced privacy obligation one element of the industry and not another. With that, I’m happy to take questions.

REP. ARCONTI (109TH): Thanks, Dan. Any questions for Dan or comments? All right, seeing none, thank you for your testimony. Kelly Moore? Following Kelly, Charles Laufinger.

KELLY MOORE: Good afternoon, Senator Needleman, Representative Arconti, distinguished members of the Energy and Technology Committee. My name is Kelly Moore. I’m the policy counsel for the ACLU of Connecticut. I’m here to testify in support of Senate Bill 5 today. The free flow of information and the ability to communicate freely are key to American’s democracy. The internet is central to that. Without net neutrality broadband ISPs can determine which content we can see, how quickly we can assess it, and if we have to pay extra for certain content. In the absence of net neutrality protection, ISPs have repeatedly throttled and prohibited access to content. Since the 2018 order by the FCC, an ISP throttled the Santa Clara County Fire Department service during the recent California wild fires. The fire department’s full speed was restored only after it purchased a new, more expensive plan.

Even worse, ISPs have a history of blocking access to information based on this message. For example, Verizon blocked text messages from NARAL, a reproductive rights advocacy organization because the company determined the texts were too controversial. And despite what ISPs may tell you,
this history shows that they cannot be relied upon to police themselves. State regulation of net neutrality is permissible following the recent decision from a federal court in Washington, D.C. ISPs may tell you that complying with net neutrality standards that might vary from state to state is too onerous and that this was better addressed by the federal government, but these same ISPs supported the FCC’s decision to repeal the existing federal framework that did provide nationwide uniformity and none of these ISPs, to my knowledge, have made public statements or testified in support of pending net neutrality legislation in the federal congress.

They’re trying to have it both ways and their actions show that without strong leadership from the state, they’ll continue to throttle, block, or require paid prioritization of information they’d rather suppress. Turning to ISP privacy, ISPs claim that they have privacy policies in place to protect consumers, but these same companies have a history of tracking all of our data and monitoring it. Some tracking methods, for example, used by Verizon cannot be erased or evaded, even by using incognito modes and browsers. Information collected by ISPs and sold to the highest bidder could be used to swing elections, manipulate public discourse, and even populate FBI databases.

Connecticut consumers are at the mercy of their ISPs privacy policies since the market lacks meaningful choice in many places and current laws are inadequate to protect us. It’s up to Connecticut, then, to protect consumers’ privacy in this state. If the General Assembly fails to do so, people in Connecticut may not be able to use the internet without subjecting themselves to increasingly
dangerous levels of unregulated corporate and government surveillance. Congress should take -- I’m sorry, Connecticut should take action to limit excessive collection and sale of our data while it still can. In conclusion, the ACLU of Connecticut strongly supports this net neutrality and consumer privacy provisions included in Senate Bill 5. We urge this committee to join other New England states by supporting this bill. Thank you.

REP. ARCONTI (109TH): Any questions for Kelly? Comments from any Committee members? All right, thank you, Kelly.

KELLY MOORE: Thank you.

REP. ARCONTI (109TH): Next up is Charles. Following Charles, I have Kim McClain. I’m assuming it’s Amy? Go ahead, Charlie.

CHARLES ROTHENBERGER: I think Amy has left, but you can call her. Good afternoon, Chairmen Aconti and Needleman, Ranking Members Ferraro and Formica, and Vice-Chair Allie-Brennan. My name is Charles Rothenberger. I’m the client energy attorney with Connecticut Fund for the Environment and I’m here to talk in support of several of the excellent bills on your agenda today. With respect to S.B. 177, energy consumption data and labeling, we would note that disclosure policies such as this are an important element in encouraging the valuation of energy efficiency in real estate transactions. That’s particularly important in Connecticut since we have a significant amount of older housing stock that was built well before we had any sort of an energy code whatsoever in place, so the energy burdens associated with these buildings are much greater than they need to be.
And given that the residential sector alone accounts for more than 16 percent of the state’s greenhouse gas emissions, it’s clear we have to improve their energy performance if we’re to reduce emissions from the building sector in a meaningful way. With respect to S.B. 178, the appliance standards bill we are in strong support of that. These are product standards that have been adopted by a growing number of jurisdictions around the country already and these standards are an easy way to empower consumers and businesses to reduce their energy or water usage with really no effort on the part of the consumer. The savings are baked into the product itself.

With respect to the electric vehicle charging bill, the inability to charge one’s electric vehicle at home is a significant barrier to purchasing an electric vehicle and the transportation sector is the largest source of our greenhouse emissions in the state, so the beneficial electrification of transportation is absolutely critical to meeting our targets and this is happening. However, home charging would allow EV owners to take advantage of several benefits such as off peak hour charging and also to participate in the managed charging per rim that the utilities offer and those provide grid-wide system benefits. So we feel it’s really important to eliminate unnecessary barriers to installing electric vehicle charging infrastructure and as set forth in this bill, those barriers would be removed. I think it’s inevitable moving forward as EVs become a larger part of the market that this infrastructure is going to be critical. Condominiums and other home owner associations are going to have to deal with this, it’s inevitable, but right now, this is a
good way to encourage that and speed up the adoption of electric vehicle ownership.

And finally with respect to the property assessed clean energy program, H.B. 5228, we would note that, as with the other Connecticut Green Bank programs, C-PACE successfully leverages small amounts of public funding to leverage significant private investment. In the C-PACE program, about 70 percent of the capital deployed comes from private investors. Allowing the C-PACE financing to cover the cost of EV charging infrastructure will allow businesses to more easily adapt to Connecticut’s rapidly changing transportation and electricity landscape. Thank you.

REP. ARCONTI (109TH): Thank you, Charles. Any questions for Charles? No? All right, then thank you for your testimony.

CHARLES ROTHENBERGER: Thank you.


HENRY AUER: Good afternoon, Co-Chairs Arconti and Needleman, respected members of the Minority and Majority members of the Committee. My name is Henry Auer. I live in New Haven. I’m a retired biophysical chemist with a strong interest in progressing the global warming issue. I am a member of the New Haven Energy Task Force and the Connecticut Energy Network. As a scientist, I have been struck by urgent assessments of the IPCC and other climate reports within the last one and a half years, stating that the world’s climate crisis is in even more critical condition than was thought only a few years ago at the Paris -- time of the Paris
Agreement. They agree, these reports agree, with the urgency of reducing greenhouse gas emissions through net zero ultimately within 20 years. That’s a revolutionary and radical challenge that we all must rise to. I support S.B. 177, S.B. 179, behavior 5226, 5227, and 5228. I’ll run through some of these very briefly.

So 5226 I think is important. Your previous speaker addressed this issue. The act enjoins transfer or sale of properties that apply unrestricted insulation or an electric vehicle charging station in a condominium or homeowners association and permits ranking tenants on application to install a charging station in a common area. I happen to live in a condo. I also am required -- restricted to street parking, so I can’t benefit from the bill as written. I actually, not because of my own situation, but I think that living in New Haven, it’s a largely LMI community, minority community, rental community. I would like to suggest an additional amendment to 5226, where curbside charging stations are strewn throughout the city on a pilot basis in LMI communities. I think that would be very proactive in promoting electric vehicle usage.

I’ll just mention that the GCCC about two or three years ago had a presentation by their modeler indicating that they model 100 percent saturation of the electric vehicle market by -- of the car market by electric vehicles by 2040. So I also support 177, the rental property disclosure of energy. I support the Green Bank enabling funding from USDA, among others, because the purposes -- The reason I support it is because the purposes include financing to develop and deploy clean energy project or an
energy efficiency project. Concerning the charging stations, the very corollary mirror act of that is 5228, which brings similar considerations into the C-PACE program, so I think they kind of go together and both deserve passage.

And finally distributed the public utilities regulatory authority and collaboration with DEEP that was covered in the beginning portion of today’s session; I can’t address those issues, but again, they address enhancement specifically including energy storage systems and that’s going to be a more and more important aspect of promoting renewable energy as time passes and because of that reason, that aspect of the act, once the legalist -- the legal barriers are resolved, merits approval. For those reasons, I strongly urge the Committee to approve these five bills and transmit them for consideration before the General Assembly. Thanks for your time and I look forward to questions, if any.

REP. ARCONTI (109TH): Thank you, Henry. Are there any questions from Committee members? Seeing none, thank you for your testimony. I appreciate it.

HENRY AUER: Thank you.

REP. ARCONTI (109TH): All right, moving on to Senate Bill 178, Katie Reilly.

KATIE REILLY: All right. Thank you, Representative Arconti and Senator Needleman and members of the committee. I’m here today to testify on Senate Bill No. 178. My name is Katie Reilly. I work for the Consumer Technology Association, or CTA. Our members are the world’s leading consumer technology innovators, from startups to global brands. They
represent the companies that make the electronics, such as computers and computer monitors that are covered through Senate Bill 178. We share the legislators goal of energy efficiency, but we don’t believe that the outline approached in S.B. 178 is the path to get there. For context, for the past 15 years, our members have worked aggressively on energy efficiency issues. We’ve been able to quantify through peer-reviewed studies that while the number of electronic devices in U.S. homes has increased 21 percent since 2010, these devices now account for 25 percent less residential energy consumption over that same time period.

And this landmark achievement is due to the consumer tech industry’s innovations and investments, not because of mandated state or federal standards. With this context in mind, there are two areas of concern that we have with S.B. 178. The first is the requirement that computers and computer monitors built in Connecticut must meet the California Energy Commission, or CEC, standards in order to be sold here in this state. It’s important to understand that our companies sell products on a U.S. or North American market. The California standard for energy efficiency is the most stringent standard found within that U.S. to North American market and that budgets the de facto national standard here, which means that the computers and monitors sold in Connecticut already meet the California standards for achieving energy efficiency savings here in Connecticut without creating a state government mandate here in the states. So essentially, we find this as a solution looking for a problem.

The second request is for the removal of the existing broad authority language, which provides
blank authorization to DEEP to establish energy efficiency standards for virtually any consumer electronic product. As we’ve noted, we’ve -- our energy has achieved significant energy efficiency achievements and they haven’t resulted from government mandates. Again, our companies sell products on a U.S. to North American market. We can’t design and make products for the state of Connecticut versus the state of California if they were to adopt different energy efficiency standards. So with that, I just wanted to thank you for your time today and for hearing these two requests that we have. Again, we’re firmly committed to energy efficiency. We just don’t think that S.B. 178 is the path to get there and I’m happy to answer any questions.

SEN. NEEDLEMAN (33RD): Thank you so much for coming. You have a 7 o’clock flight tonight?

KATIE REILLY: Seven thirty, so I think I’m okay.

SEN. NEEDLEMAN (33RD): Last year Katie was here. We kept her -- We actually allowed her to jump the queue. She was pregnant and had to run --

KATIE REILLY: Played the pregnancy card a little bit.

SEN. NEEDLEMAN (33RD): But you cut it really close every time, every year. I think every member of the audience have questions for you tonight. Anyway, so one quick question. The standards we’re looking to adopt, are they the California standards?

KATIE REILLY: For computers and computer monitors, yes.
SEN. NEEDLEMAN (33RD): Okay. So you're already making the products for California?

KATIE REILLY: Those standards haven’t actually officially gone into effect in California, but yes, our member companies will be compliant with those dates. So if we adopted those standards, it doesn’t create a problem for you, does it?

KATIE REILLY: It doesn’t necessarily create a problem, but it’s not providing any additional energy savings to Connecticut consumers. They’re already going to get the benefit of that standard and are members are concerned. We’ve run into to where states, depending on how the language is exactly adopted, we’ve run into challenges where it’s California makes changes to their standards. Other states aren’t able to keep pace with that. So in Oregon, we ran into an issue a couple years ago when they adopted the television standard that California updated their standard, a revision to the definition, I believe, and suddenly we were concerned that we couldn’t sell off-duty televisions in the state of Oregon. We’re dealing with an issue in Hawaii right now from the bill from 2019, where they included the word new and rather than manufactured by and we’re trying to get that corrected in the legislature right now, as well, so it’s these challenges of adopting another jurisdiction’s language or reference to their standard without being able to keep pace and make those adjustments.

SEN. NEEDLEMAN (33RD): One concern, we argued that a failure to lead on the federal level leads states to wanting to make these changes to become more
efficient, so we’ll look at it and thank you for coming and have a safe trip.

KATHY REILLY: Thank you very much.

SEN. NEEDLEMAN (33RD): Anyone else have anything? Thank you.


CHRIS PHELPS: Good evening, Representative Arconti, Senator Needleman, and members of the Committee. I’m Chris Phelps, state director of Environment Connecticut and we’ve submitted testimony on this bill plus three other bills for you that I hope you have copies of and I’ll run through it real quickly here. We’re strongly supporting S.B. 178, the product efficiency standards bill. We’ve worked on this issue and with this committee over the course of roughly the last 20 years and Connecticut’s existing product efficiency standards have produced real benefits for Connecticut’s environment and our economy through energy savings. We support this bill because it adopts additional strong updated energy and water product efficiency standards for both households and consumer products. That will cut climate altering pollution, protect our natural resources, and save money for Connecticut families and businesses.

The new standards in S.B. 178 would, as you heard, protect Connecticut’s environment by helping us meet our climate goals, preventing 66,000 metric tons of carbon pollution annually by 2025. That’s like taking 14,000 cars off of our road. The bill would also reduce overall water use and lessen the need for expensive water infrastructure investments. By
2025, it would save 2.3 million gallons of water in this state, which is roughly what 66,000 households use. And lastly, the energy -- reduced energy demand from the measures in this bill would reduce energy use in the state by the approximate equivalent of 20,000 households, which would save families and businesses in our state $68 million dollars a year by 2025 and $192 million dollars a year by 2035, estimated. Those are real savings, both economically and environmentally, for our state that we should adopt and we should move forward. As you all sort of heard, I think, from the commissioner earlier, states such as Vermont, Colorado, Nevada and others have already moved forward with similar legislation, similar standards, and this bill really is about Connecticut keeping pace.

Again, as you've heard, because the federal government is not doing so. This is a great bill for our state. We really urge you to support it. I’d like to respond briefly to the point made earlier just a few moments ago. You know, the existing authority in Connecticut statute that allows the commissioner of the Department of Energy and Environmental Protection to ensure that future changes to these type -- these underlying standards are adopted is to ensure that we retain consistency with standards in other states. It actually speaks to the concern that the person speaking before talked about in terms of one state, California, adopting standards on certain technology and then updating those standards, if other states don't also update their existing standards, you have a disconnect. That’s the point of that language in our statute, to ensure that Connecticut can maintain
consistency and that therefore there is consistency in the marketplace. I heard the bell go off, so I’ll stop there. We also have submitted testimony supporting, in particular, H.B. 5226, the right to charge for electric vehicles for condo residents and renters, as well as the C-PACE electric vehicle provisions, but like I said, I’ll stop there and take any questions you might have at this quite early hour in the day.


CHRIS PHELPS: Thank you.

REP. ARCONTI (109TH): I’m sure I’ll see you next week, too. Marianne?

MARIANNE DIMASCIO: Hello. My name is Marianne DiMascio from the Appliance Standard Awareness Project. Good afternoon, Senator Needleman, Representative Arconti, and members of the Committee and it’s actually earlier than last year when we were here, I think, we were a little bit later, and I brought some props and part of the reason I brought props is because when we talk about this bill, and I saw some of the comments in the testimony, it gives me the impression that they’re all appliances that we’re talking about and some of the things we were talking about can be purchased, a shower head for $8.99 or faucets for -- replacement part for a few dollars, so I just wanted to mention that they’re not all big appliances.

So prior to me, they’ve talked about savings and few items. I just wanted to add a few items. That this -- Connecticut led in a couple times on these bills
and hasn’t updated the standards for about ten years, so it’s a good time to lead again. Vermont is the only state in the Northeast that has adopted these standards. Also you may have noticed that there a fair amount of broad support for this bill, that it’s rare, I think, that you see utilities, efficiency groups, environmental groups, consumer groups all in support of one bill, so I’d just like to note that, that it does have broad support for this bill, and a couple of items in here. So commercial standards, there are a number of products for commercial food service equipment and I’d just like to note that there’s some really big savings, so just one product is steam cookers. It does have an incremental cost, about $3,200 dollars, but people purchasing that are expected to save in Connecticut about $4,000 dollars a year because of savings in water and electricity, so it’s over the life of that product, it’s about $50,000 dollars that a restaurant equipment owner would save.

And I had the wrong number in there in my testimony. It says $3,200 dollars, that’s a national number for savings, but in Connecticut where it’s more expensive for electricity, it’s $4,000 dollars. So dishwashers also, you get a one year payback and then it’s all savings of over $1,000 dollars a year, so I just recommend those products. And then it’s also very good for low-income consumers. There are eight consumer products in the bill. These are two of them, faucets and shower heads. There is some lighting, some bathroom fans and toilets and air purifiers and six of those products have zero incremental cost. So consumers will start saving right away. Computers have about a $10 dollar incremental cost and then the one product that has a
bigger incremental cost, I don’t think it’s a low-income product very much, it’s a portable spa.

So low-income and any consumers would begin saving right away, excuse me, with these standards. And finely, just sometimes people ask, if I can just finish this last part, sometimes people ask how readily available are all these products and all of the products are on the market today. As an example, there are over 9,000 shower head models on the market today and about 7,000 of them meet the standard, so we’re going from 2.5 gallons a minute to 2 gallons a minute, so about 2,000 of them aren’t needing that, so those are the -- consumers still have a really big choice and when it’s faucets, it’s about 2,500 and more than 75 percent of those meet the standard, so we’re not talking about a brand new thing. All of these products are on the market today.

And then finally, I would just say the lighting. There’s lighting in the bill where there have been some rollbacks federally and lighting savings are not included in this bill because of what’s been going on federally. There’s a lot of savings by changing to LEDs and the -- there are still eight different light bulbs and I put a picture in my testimony of products that are not preempted, even after everything that’s going on federally. So there are pictures of those bulbs, like bathroom vanity globe bulbs, some of the candelabra bulbs, so those are the products that we’re talking about, even though the general service lamp says -- looks like a big category, there are about eight that are not preempted. So there is some weaning out that we’ll have to do after to just clarify which bulbs there are, but there’s something references that in
the bill. So with that I am happy to answer questions. I don’t think I said I’m from the Appliance Standards Awareness Project and we work on this nationally and on federal and state level and happy to answer any of the technical or other questions.

REP. ARCONTI (109TH): Thank you, Marianne. Thank you for your advocacy. Any questions from -- All right, no, seeing none. Thank you.

MARIANNE DIMASCIO: Okay. Thank you.

REP. ARCONTI (109TH): That concludes the members of the public who signed up. Are there any other members of the public that wish to testify? All right, seeing none, I’d like to close the Energy and Technology Public Hearing and we’ll see everybody the same time next Thursday, March 5th, for our last public hearing. Thanks.