



House of Representatives

General Assembly

File No. 29

January Session, 2023

Substitute House Bill No. 6724

House of Representatives, March 7, 2023

The Committee on Energy and Technology reported through REP. STEINBERG of the 136th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT CONCERNING UTILITY CUSTOMER PAYMENT PLANS,
EXTENDING THE SHUTOFF MORATORIUM FOR HARDSHIP
CUSTOMERS AND PERMITTING HARDSHIP CUSTOMERS TO
ENROLL WITH ELECTRIC SUPPLIERS.***

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

1 Section 1. Subsection (b) of section 16-262c of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*):

4 (b) (1) From November first to May first, inclusive, no electric
5 distribution company, as defined in section 16-1, no electric supplier and
6 no municipal utility furnishing electricity shall terminate, deny or refuse
7 to reinstate residential electric service in hardship cases where the
8 customer lacks the financial resources to pay his or her entire account.
9 From November first to May first, inclusive, no gas company and no
10 municipal utility furnishing gas shall terminate, deny or refuse to
11 reinstate residential gas service in hardship cases where the customer

12 uses such gas for heat and lacks the financial resources to pay his or her
13 entire account, except a gas company that, between May second and
14 October thirty-first, terminated gas service to a residential customer
15 who uses gas for heat and who, during the previous period of
16 November first to May first, had gas service maintained because of
17 hardship status, may refuse to reinstate the gas service from November
18 first to May first, inclusive, only if the customer has failed to pay, since
19 the preceding November first, the lesser of: (A) Twenty per cent of the
20 outstanding principal balance owed the gas company as of the date of
21 termination, (B) one hundred dollars, or (C) the minimum payments
22 due under the customer's amortization agreement. Notwithstanding
23 any [other] provision of the general statutes, [to the contrary,] no electric
24 distribution or gas company, no electric supplier and no municipal
25 utility furnishing electricity or gas shall terminate, deny or refuse to
26 reinstate residential electric or gas service where the customer lacks the
27 financial resources to pay his or her entire account and [for which
28 customer or a member of the customer's household] if the termination,
29 denial of or failure to reinstate such service would create a life-
30 threatening situation for such customer or a member of such customer's
31 household. No electric distribution or gas company, no electric supplier
32 and no municipal utility furnishing electricity or gas shall terminate,
33 deny or refuse to reinstate residential electric or gas service where the
34 customer is a hardship case and lacks the financial resources to pay his
35 or her entire account and a child not more than twenty-four months old
36 resides in the customer's household and such child has been admitted
37 to the hospital and received discharge papers on which the attending
38 physician, physician assistant or an advanced practice registered nurse
39 has indicated such service is a necessity for the health and well-being of
40 such child.

41 (2) During any period in which a residential customer is subject to
42 termination, an electric distribution or gas company, an electric supplier
43 or a municipal utility furnishing electricity or gas shall provide such
44 residential customer whose account is delinquent an opportunity to
45 enter into a reasonable amortization agreement with such company,
46 electric supplier or utility to pay such delinquent account and to avoid

47 termination of service. Such amortization agreement shall allow such
48 customer adequate opportunity to apply for and receive the benefits of
49 any available energy assistance program. An amortization agreement
50 shall be subject to amendment on customer request if there is a change
51 in the customer's financial circumstances.

52 (3) As used in this section, (A) "household income" means the
53 combined income over a twelve-month period of the customer and all
54 adults, except children of the customer, who are and have been
55 members of the household for six months or more, and (B) "hardship
56 case" includes, but is not limited to: (i) A customer receiving local, state
57 or federal public assistance; (ii) a customer whose sole source of
58 financial support is Social Security, United States Department of
59 Veterans Affairs or unemployment compensation benefits; (iii) a
60 customer who is head of the household and is unemployed, and the
61 household income is less than three hundred per cent of the poverty
62 level determined by the federal government; (iv) a customer who is
63 seriously ill or who has a household member who is seriously ill; (v) a
64 customer whose income falls below one hundred twenty-five per cent
65 of the poverty level determined by the federal government; and (vi) a
66 customer whose circumstances threaten a deprivation of food and the
67 necessities of life for himself or dependent children if payment of a
68 delinquent bill is required.

69 (4) [In order for] (A) Each gas company and electric distribution
70 company shall deduct an arrearage from the account of a residential
71 customer of [a gas or electric distribution] such company [using gas or
72 electricity for heat to be eligible to have any moneys due and owing
73 deducted from the customer's delinquent account pursuant to this
74 subdivision, the company furnishing gas or electricity shall require that]
75 if the customer [(A) apply and be eligible for benefits available under]
76 (i) meets the income eligibility requirements of the Connecticut energy
77 assistance program or state appropriated fuel assistance program; [(B)
78 authorize the] (ii) authorizes the gas or electric distribution company to
79 send a copy of the customer's monthly bill directly to any energy
80 assistance agency for payment; [(C) enter] (iii) enters into and [comply]

81 complies with an amortization agreement, which agreement is
82 consistent with decisions and policies of the Public Utilities Regulatory
83 Authority; [Such an amortization agreement shall reduce a customer's
84 payment by the amount of the benefits reasonably anticipated from the
85 Connecticut energy assistance program, state appropriated fuel
86 assistance program or other energy assistance sources. Unless the
87 customer requests otherwise, the company shall budget a customer's
88 payments over a twelve-month period with an affordable increment to
89 be applied to any arrearage, provided such payment plan will not result
90 in loss of any energy assistance benefits to the customer. If a customer
91 authorizes the company to send a copy of his monthly bill directly to
92 any energy assistance agency for payment, the energy assistance agency
93 shall make payments directly to the company. If, on April thirtieth, a
94 customer has been in compliance with the requirements of
95 subparagraphs (A) to (C), inclusive, of this subdivision, during the
96 period starting on the preceding November first, or from such time as
97 the customer's account becomes delinquent, the company shall deduct
98 from such customer's delinquent account an additional amount equal to
99 the amount of money paid by the customer between the preceding
100 November first and April thirtieth and paid on behalf of the customer
101 through the Connecticut energy assistance program and state
102 appropriated fuel assistance program. Any customer in compliance
103 with the requirements of subparagraphs (A) to (C), inclusive, of this
104 subdivision, on April thirtieth who continues to comply with an
105 amortization agreement through the succeeding October thirty-first,
106 shall also have an amount equal to the amount paid pursuant to such
107 agreement and any amount paid on behalf of such customer between
108 May first and the succeeding October thirty-first deducted from the
109 customer's delinquent account.] and (iv) is eligible for financial hardship
110 programs with the gas or electric distribution company. The amount of
111 an arrearage deducted under this subparagraph shall be equal to the
112 customer's monthly payment pursuant to an amortization agreement
113 under this subdivision, provided the customer meets the requirements
114 of subparagraphs (A)(i) to (A)(iv), inclusive, of this subdivision for the
115 month immediately preceding such payment.

116 (B) Each gas company and electric distribution company shall deduct
117 an arrearage from the account of a residential customer who meets the
118 requirements of subparagraphs (A)(i) to (A)(iv), inclusive, of this
119 subdivision in an amount equal to any payment such customer receives
120 from the Connecticut energy assistance program, state appropriated
121 fuel assistance program or other energy assistance sources. Such
122 deduction shall be in addition to any amount deducted pursuant to
123 subparagraph (A) of this subdivision.

124 (C) Notwithstanding subdivision (8) of this subsection, any
125 amortization agreement under this subdivision shall distribute
126 customer payments over a period of twelve months, from November
127 first to October thirty-first, and shall create a monthly payment that is
128 affordable to the customer in accordance with the decisions and policies
129 of the authority.

130 (D) In no event shall the deduction of any amounts pursuant to this
131 subdivision result in a credit balance to the customer's account. No
132 customer shall be denied the benefits of this subdivision due to an error
133 by the gas or electric distribution company. [The Public Utilities
134 Regulatory Authority shall allow the amounts deducted from the
135 customer's account pursuant to the implementation plan, described in
136 subdivision (5) of this subsection, to be recovered by the company in its
137 rates as an operating expense, pursuant to said implementation plan.] If
138 the customer fails to comply with the terms of the amortization
139 agreement, [or] any decision of the authority rendered in lieu of such
140 agreement [and] or the requirements of [subparagraphs (A) to (C),
141 inclusive] subparagraphs (A)(i) to (A)(iv), inclusive, of this subdivision,
142 the company may terminate service to the customer, pursuant to all
143 applicable regulations, provided such termination shall not occur
144 between November first and May first.

145 (E) In order to facilitate the automatic enrollment of certain customers
146 eligible for financial hardship programs with such customers' gas or
147 electric distribution company, the Commissioner of Social Services may
148 prescribe terms or conditions for the receipt of benefits under any

149 program administered by the Department of Social Services, including,
150 but not limited to, (i) the supplemental nutrition assistance program,
151 and (ii) the Connecticut energy assistance program for any plan adopted
152 not later than August 1, 2023, pursuant to section 16a-41a, that
153 authorizes the commissioner to share information about benefit
154 recipients with a gas or electric distribution company.

155 (5) Each gas and electric distribution company shall submit to the
156 Public Utilities Regulatory Authority annually, on or before [July] June
157 first, an implementation plan [which] that shall include information
158 concerning amortization agreements, counseling, reinstatement of
159 eligibility, rate impacts and any other information deemed relevant by
160 the authority. The Public Utilities Regulatory Authority may [, in
161 consultation with the Office of Policy and Management,] approve or
162 modify such plan [within ninety] not later than one hundred twenty-
163 seven days [of] after receipt of the plan. If the authority does not take
164 any action on such plan [within ninety days of its receipt] by such date,
165 the plan shall automatically take effect at the end of [the ninety-day]
166 such one-hundred-twenty-seven-day period, provided the authority
167 may extend such period for an additional thirty days by notifying the
168 company before the end of [the ninety-day] such one-hundred-twenty-
169 seven-day period. Any amount recovered by a company in its rates
170 pursuant to this subsection shall not include any amount approved by
171 the Public Utilities Regulatory Authority as an uncollectible expense.
172 The authority may deny all or part of the recovery required by this
173 subsection if it determines that the company seeking recovery has been
174 imprudent, inefficient or acting in violation of statutes or regulations
175 regarding amortization agreements.

176 [(6) On or after January 1, 1993, the Public Utilities Regulatory
177 Authority may require gas companies to expand the provisions of
178 subdivisions (4) and (5) of this subsection to all hardship customers. Any
179 such requirement shall not be effective until November 1, 1993.]

180 [(7)] (6) (A) All electric distribution and gas companies, electric
181 suppliers and municipal utilities furnishing electricity or gas shall

182 collaborate in developing, subject to approval by the Public Utilities
183 Regulatory Authority, standard provisions for the notice of delinquency
184 and impending termination under subsection (a) of section 16-262d.
185 Each such company and utility shall place on the front of such notice a
186 provision that the company, electric supplier or utility shall not effect
187 termination of service to a residential dwelling for nonpayment of
188 disputed bills during the pendency of any complaint. In addition, the
189 notice shall state that the customer [must] is required to pay current and
190 undisputed bill amounts during the pendency of the complaint. (B) At
191 the beginning of any discussion with a customer concerning a
192 reasonable amortization agreement, any such company or utility shall
193 inform the customer (i) of the availability of a process for resolving
194 disputes over what constitutes a reasonable amortization agreement, (ii)
195 that the company, electric supplier or utility will refer such a dispute to
196 one of its review officers as the first step in attempting to resolve the
197 dispute, and (iii) that the company, electric supplier or utility shall not
198 effect termination of service to a residential dwelling for nonpayment of
199 a delinquent account during the pendency of any complaint,
200 investigation, hearing or appeal initiated by the customer, unless the
201 customer fails to pay undisputed bills, or undisputed portions of bills,
202 for service received during such period. (C) Each such company, electric
203 supplier and utility shall inform and counsel all customers who are
204 hardship cases as to the availability of all public and private energy
205 conservation programs, including programs sponsored or subsidized
206 by such companies and utilities, eligibility criteria, where to apply, and
207 the circumstances under which such programs are available without
208 cost.

209 [(8)] (7) The Public Utilities Regulatory Authority shall adopt
210 regulations in accordance with the provisions of chapter 54 to carry out
211 the provisions of this subsection. Such regulations shall include, but not
212 be limited to, criteria for determining hardship cases and for reasonable
213 amortization agreements, including appeal of such agreements, for
214 categories of customers. Such regulations may include the
215 establishment of a reasonable rate of interest [which] that a company
216 may charge on the unpaid balance of a customer's delinquent bill and a

217 description of the relationship and responsibilities of electric suppliers
218 to customers.

219 (8) The Public Utilities Regulatory Authority may find that a
220 reasonable amortization agreement, other than a reasonable
221 amortization agreement under subdivision (4) of this subsection, is a
222 period of not more than thirty-six months, unless the authority
223 determines that a longer period is warranted. Not later than October 1,
224 2024, the authority shall amend any regulations adopted pursuant to
225 subdivision (7) of this subsection to carry out the provisions of this
226 subsection.

227 (9) The chairperson of the Public Utilities Regulatory Authority may
228 distribute not more than one million dollars in total each year to
229 organizations or individuals providing legal services with the express
230 purpose of attaining participation in public service company programs
231 designed to assist customers with utility bill or arrearage payments,
232 including negotiating a reasonable amortization agreement pursuant to
233 this subsection. Any funds distributed pursuant to this subdivision shall
234 be paid by all public service companies, in proportion to such
235 companies' annual load and the amount of services provided to end use
236 customers or revenue, as determined by the authority.

237 (10) Notwithstanding any provision of this section, for the period
238 commencing May 2, 2023, and ending October 31, 2023, no gas company
239 or electric distribution company may terminate, deny or refuse to
240 reinstate residential gas or electric service in hardship cases where the
241 customer lacks the financial resources to pay the customer's entire
242 account.

243 Sec. 2. Subsection (m) of section 16-245o of the general statutes is
244 repealed and the following is substituted in lieu thereof (*Effective from*
245 *passage*):

246 (m) [The Public Utilities Regulatory Authority may initiate a docket
247 to review the feasibility, costs and benefits of placing on standard
248 service, or of otherwise limiting the ability to contract with electric

249 suppliers, all customers] Customers of electric distribution companies
250 who (1) [who] are hardship cases for purposes of subdivision (3) of
251 subsection (b) of section 16-262c, as amended by this act, (2) [having
252 moneys due and owing] have arrearages deducted from such
253 customers' bills by the electric distribution company pursuant to
254 subdivision (4) of subsection (b) of section 16-262c, as amended by this
255 act, (3) [receiving] receive other financial assistance from an electric
256 distribution company, or (4) [who] are otherwise protected by law from
257 shutoff of electricity services [. Notwithstanding the provisions of
258 section 16-245r, the authority may, in a final decision issued pursuant to
259 this subsection, (A) order all such customers to be placed on standard
260 service, (B) order] may enroll with an electric supplier, provided all
261 customer contracts with electric suppliers, entered into on and after [a
262 determined date, to] March 1, 2023, shall be at or below the standard
263 service rate, [, or (C)] The authority may initiate a docket to order all
264 customer contracts with electric suppliers, entered into on and after a
265 determined date, to comply with appropriate limitations the authority
266 deems necessary. If the authority issues such an order, it shall reopen
267 such docket not less than every two years.

268 Sec. 3. Subsection (d) of section 16a-40m of the general statutes is
269 repealed and the following is substituted in lieu thereof (*Effective from*
270 *passage*):

271 (d) On-bill repayment for any loan that is part of the comprehensive
272 residential clean energy on-bill repayment program established
273 pursuant to this section and utilized to improve efficiency or clean
274 energy improvements for provision of heat to a dwelling unit shall be
275 treated as part of the primary heating expense for the customer for
276 purposes of (1) any energy assistance program funded or administered
277 by the state or under any plan adopted pursuant to section 16a-41a, and
278 (2) any matching payment program plan pursuant to subdivisions (4)
279 [to (6), inclusive,] and (5) of subsection (b) of section 16-262c, as
280 amended by this act.

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

Section 1	<i>from passage</i>	16-262c(b)
Sec. 2	<i>from passage</i>	16-245o(m)
Sec. 3	<i>from passage</i>	16a-40m(d)

ET *Joint Favorable Subst.*

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

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
Public Utilities Regulatory Authority (PURA)	CC&PUCF - Indeterminate	up to \$1,000,000	up to \$1,000,000

Note: CC&PUCF=Consumer Counsel and Public Utility Control Fund

Municipal Impact: None

Explanation

The bill authorizes PURA to expend up to \$1,000,000 annually to fund legal assistance to customers. This is provided to allow customers the opportunity to challenge their existing bills and to allow them to apply for existing financial aid. The bill additionally authorizes this expenditure to be collected from utilities in proportion to annual load, services, or revenue as determined by PURA. Whatever the cost of this aid will be, will be offset by equal additional funding to PURA.

Rate Payer Impact Statement

The bill will have an indeterminate impact on rates. The primary change within the bill is to extend a hardship customer shutoff moratorium from May 2nd of 2023 to October 31st of 2023. This will conclude as the existing winter month shut off moratorium comes into effect. Increasing the shutoff moratorium for hardship customers in concert with higher energy prices in 2023 will likely increase the total arrearages for Electric Distribution companies and Gas companies

providing heat to customers. While the bill does not specifically state that companies may recover the arrearages forgiven, they have traditionally been able to do so for legitimate business expenses.

Within Electric Distribution Utility Companies arrearages are recovered through the Systems Benefit Charge as a component of the Combined Public Benefit Charge. In 2022, both Eversource and United Illumination reported over collections in SBF relative to expenses and arrearages¹. Both companies are expected to request rate adjustments in 2023 and more information on how this will impact customers will come in rulings on 01-03-23 and 01-04-23 sometime before May 1st, 2023. The documents provided by Eversource show continuing amortization being factored into the rate including under collections being carried forward from the pandemic expecting to be reduced to 17.6 million by the end of 2023 and reduced to zero by April 2024². The extension of the moratorium is likely to see increased amortizations being carried forward in the future, although the amount, and the impact that may have on rates is indeterminate.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future.

¹ PURA Docket [22-01-03](#) and PURA Docket [22-01-04](#)

² [Eversource Interrogatories Response Question 9 Attachment 1.pdf](#)

OLR Bill Analysis**sHB 6724*****AN ACT CONCERNING UTILITY CUSTOMER PAYMENT PLANS, EXTENDING THE SHUTOFF MORATORIUM FOR HARDSHIP CUSTOMERS AND PERMITTING HARDSHIP CUSTOMERS TO ENROLL WITH ELECTRIC SUPPLIERS.*****SUMMARY**

This bill extends the gas and electric company shutoff moratorium to cover all of 2023 for customers of electric distribution companies (EDCs, i.e., Eversource and United Illuminating) and gas companies (e.g., Yankee Gas). The current law's moratorium generally prohibits EDCs, gas companies, retail electric suppliers, and municipal utility companies from terminating, denying, or refusing to reinstate residential service in hardship cases (see BACKGROUND) where the customer cannot pay his or her entire account. The current moratorium applies from November 1 through May 1 annually. The bill extends this from May 2, 2023, through October 31, 2023 (effectively covering November 1, 2022, through May 1, 2024).

The bill also makes various changes to the Matching Payment Program (MPP), a program that generally allows certain EDC and gas company customers who are behind on their utility bills to develop a budgeted re-payment plan and receive matching payments towards their arrears from the companies. Among other things, the bill does the following:

1. changes the program's eligibility criteria and timeframe for distributing matching payments;
2. removes a provision that explicitly allows the companies to recover their MPP costs through their rates;
3. gives the Public Utilities Regulatory Authority (PURA) more

time to approve the companies' MPP implementation plans; and

4. allows PURA's chairperson to annually distribute up to \$1 million to entities providing legal services that help people participate in utility company programs that assist customers with utility bill or arrearage payments.

The bill also allows customers who are hardship cases to enroll with a retail electric supplier for their electric generation service if their contracts with the suppliers are entered into on or after March 1, 2023, for the standard service rate or less.

Lastly, the bill makes numerous minor, technical, and conforming changes.

EFFECTIVE DATE: Upon passage

MATCHING PAYMENT PROGRAM

By law, when a residential customer's gas or electric service is subject to termination, the companies must give the customer an opportunity to enter into a reasonable amortization agreement to pay their delinquent account balance (arrears) and avoid termination. The agreement must give the customers an adequate opportunity to apply for and receive benefits from any available energy assistance program (CGS § 16-262c(b)(2)). Residential customers who meet certain criteria may also have their arrearages reduced with matching payments from the EDCs and gas companies.

Eligibility Criteria

Under current law, an EDC or gas company customer using electricity or gas for heat qualifies for matching payments if he or she does the following:

1. applies and is eligible for benefits from the Connecticut Energy Assistance Program (CEAP) or a state-funded fuel assistance program;
2. authorizes the company to send a copy of the customer's monthly

bill to an energy assistance agency for payment; and

3. enters into and complies with the amortization agreement that is consistent with PURA's decisions and policies.

The bill additionally requires that a customer be eligible for the company's financial hardship programs. It also removes the requirements that customers (1) be using electricity or gas for heat, potentially allowing oil-heating customers to participate, and (2) apply for benefits from CEAP or another state-funded fuel assistance program, although they must still meet these programs' income eligibility requirements.

Matching Payments

The bill (1) restructures how companies must calculate the matching payments to reduce a customer's arrearage, and (2) requires matching payments to be paid over twelve months, rather than in two six-month lump sums.

Current law requires a customer's MPP amortization agreement to reduce the customer's payment by the amount of benefits reasonably anticipated from CEAP or other state-funded energy or fuel assistance programs. Unless the customer requests otherwise, the company must budget the customer's payments over a 12-month period with an affordable increment applied to the arrearage, so long as it does not cause the customer to lose any energy assistance benefits. If the customer authorizes the company to send a copy of the monthly bill directly to the energy assistance agency, the agency must make payments directly to the company.

The bill removes these provisions and instead requires that the customer's arrearage be reduced by an amount calculated as follows:

1. the customer's monthly payment under the amortization agreement, so long as the customer met the bill's revised eligibility requirements in the immediately preceding month, plus

2. any payment the customer receives from CEAP or another state-funded fuel or energy assistance program.

Current law generally requires the companies to distribute the matching payments twice each year, first after a participating customer meets the program's requirements from November 1 through April 30, and then again after the customer continues to meet the requirements from April 30 through October 31. The bill instead requires an MPP amortization agreement to distribute customer payments over a 12-month period, from November 1 through October 31. It also requires the agreement to create a monthly payment that is affordable to the customer and meets PURA's decisions and policies.

Company Cost Recovery in Rates

The bill removes a provision in current law that explicitly allows EDCs and gas companies to recover the matching payments they deducted from customers' accounts by including them as operating expenses in their rates. (Presumably, this will give PURA greater discretion in deciding whether to allow the recovery.)

DSS Coordination With EDCs and Gas Companies

The bill allows the Department of Social Services (DSS) commissioner, under certain conditions, to prescribe terms and conditions for receiving benefits under any DSS-administered program. This includes the supplemental nutrition assistance program and CEAP, under any annual CEAP plan adopted by August 1, 2023. More specifically, these terms and conditions may authorize the commissioner to share information about benefit recipients with EDCs and gas companies to facilitate the automatic enrollment of certain customers eligible for financial hardship programs with their EDC or gas company.

Implementation Plans

The law requires the EDCs and gas companies to annually submit an implementation plan to PURA with information about amortization agreements, counseling, eligibility reinstatement, rate impacts, and

other information that PURA considers relevant. The bill requires the companies to submit the annual plans a month earlier, by June 1 rather than July 1. It also (1) gives PURA more time to approve or modify the plans, 127 days after receiving them instead of 90 days, and (2) removes a requirement for PURA to do so in consultation with the Office of Policy and Management. As under current law, if PURA does not act on a plan by the deadline, it automatically takes effect unless PURA grants an additional 30-day extension by notifying the company before the deadline.

The bill also removes a provision in current law that explicitly allows PURA to require gas companies to expand the MPP to all hardship customers.

Other Amortization Agreements and Regulations

The bill allows PURA to find that a reasonable amortization agreement, other than an MPP amortization agreement, covers up to a 36-month period unless PURA determines that a longer period is warranted. It also requires PURA, by October 1, 2024, to amend the regulations on reasonable amortization agreements, hardship case determination, and the MPP to carry out the provisions of the related law, as amended by the bill.

Funding for Related Legal Services

The bill allows PURA's chairperson to annually distribute up to \$1 million in total to organizations or individuals providing legal services with the express purpose of attaining participation in public service company programs designed to assist customers with utility bill or arrearage payments, including negotiating a reasonable MPP amortization agreement. Any of these distributed funds must be paid by all public service companies in proportion to their annual load, amount of services provided to end use customers, or revenue, as determined by PURA.

RETAIL ELECTRIC SUPPLIERS AND HARDSHIP CUSTOMERS

Current law allows PURA to review the feasibility of moving certain types of retail electric supplier customers to standard service (the EDC-provided electric supply service for residential customers who do not purchase electricity through a third-party retail supplier), and to order, among other things, that the customers be placed on standard service. The covered customers are (1) hardship cases, (2) customers participating in the MPP, (3) customers receiving other financial assistance from their EDC, and (4) customers who the law otherwise protects from electric service shutoffs.

(In 2019, PURA exercised this authority and ordered the EDCs to (1) switch hardship cases to standard service and (2) update their systems to prevent hardship customers from enrolling with a supplier.)

The bill removes PURA's authority to perform this review and issue the related orders. It instead allows these customers to enroll with an electric supplier if the contracts with the suppliers entered into on or after March 1, 2023, are at or below the standard service rate.

The bill also allows PURA to open a proceeding to order all customer contracts with electric suppliers entered into on and after a determined date to comply with appropriate limitations that PURA considers necessary. If PURA issues this order, it must reopen the proceeding at least every two years.

BACKGROUND***Hardship Customers***

By law, hardship cases include customers who meet any of the following criteria:

1. receive local, state, or federal public assistance;
2. have Social Security, U.S. Department of Veterans Affairs, or unemployment compensation benefits as their sole source of financial support;

3. are unemployed heads of households with household incomes less than 300% of the federal poverty limit (FPL);
4. are seriously ill or have seriously ill household members;
5. have income under 125% FPL; or
6. face deprivation of food and necessities of life for themselves or their dependent children if payment of a delinquent bill is required (CGS § 16-262c(b)(3)).

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 18 Nay 2 (02/23/2023)