

OFFICE OF FISCAL ANALYSIS

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sSB-7

AN ACT STRENGTHENING PROTECTIONS FOR CONNECTICUT'S CONSUMERS OF ENERGY.

As Amended by Senate "A" (LCO 8797)

House Calendar No.: 596

Senate Calendar No.: 198

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
Public Utilities Regulatory Authority (PURA)	CC&PUCF - Cost	At least 3,200,000	At least 3,200,000

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

Municipal Impact: None

The bill would result in a cost by (1) authorizing the Public Utilities Regulatory Authority (PURA) to spend up to \$1,200,000 annually to support stakeholder intervention into rate reviews; (2) empowers PURA to alter current requirements of a variety of public programs; (3) expanding the eligibility for, and altering qualifications for existing PURA energy assistance programs and; (4) authorizing the Office of the Consumer Counsel to hire a consultant to augment expertise up to \$1,000,000 per year. These fiscal impacts are detailed below by section.

Section 12: establishes penalties and fines for non-compliance with reporting requirements for failing to compile monthly reports to PURA concerning planned and unplanned electrical outages.

Section 15: establishes a variety of rules surrounding stakeholder intervention in rate cases. The bill provides funding for \$100,000 per stakeholder group; \$300,000 in total compensation per hearing and

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\$1,200,000 per year in total awards to stakeholder groups.

The section also authorizes the Office of the Consumer Counsel (OCC) to retain consultants for areas that they do not have current expertise for up to \$1,000,000 annually.

Section 21: alters requirements surrounding the decision-making process for PURA utility commissioners. The appeals process created in this section may result in more meetings and could potentially increase costs for PURA.

Section 27: redirects fine revenue from fines imposed on individuals transporting gas to support the study, installation, and deployment of residential methane detectors by utility companies.

Section 30: authorizes the PURA to expend up to \$1,000,000 for the purposes of providing legal assistance to individuals to participate in public service company programs designed to assist customers with utility bill or arrearage payments, including negotiating a reasonable amortization agreement pursuant to this subsection. Any funds distributed pursuant to this subdivision shall be paid by all public service companies, in proportion to such companies' annual load and the number of services provided to end use customers or revenue, as determined by the authority.

Ratepayer Impact:

The impact of the bill on ratepayers is indeterminate. The creation of a performance-based rate model could result in lower general rates for ratepayers depending on implementation. The bill also adjusts what can and cannot be recovered through the rates process. The bill formally requires amortization for certain customers to pay down arrearages and for a matching amount to be offset through those payments. The bill also expands the existing shutoff moratorium, which could increase the arrearages in the short term to be recovered later. Additional alterations to notification requirements may also in the short term reduce rates for consumers.

Senate "A" eliminates the original bill and its associated fiscal impacts, and results in the impact described above.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation; PURA's distribution of funds for participation in proceedings and legal aid; and OCC's hiring of consultants to facilitate expertise.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does 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.