

**Energy and Technology Committee
JOINT FAVORABLE REPORT**

Bill No.: HB-6724

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

Title: SUPPLIERS.

Vote Date: 2/23/2023

Vote Action: Joint Favorable Substitute

PH Date: 2/21/2023

File No.: 29

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SPONSORS OF BILL:

[Rep. Tom Delnicki, 14th Dist.](#)

REASONS FOR BILL:

As part of the state's effort to reduce the burden of the rising utility costs and the volatility of the energy market on ratepayers, this bill intends to revise subsection (b) of Connecticut General Statutes (CGS) § 16-262c to support and improve energy affordability for Connecticut's hardship customers. The bill aims to protect hardship customers by allowing the Public Utilities Regulatory Authority (PURA) to reach agreements that help ratepayers pay the initial cost of their utility bills, help ratepayers enroll in utility-sponsored bill payment programs, and extend the shutoff moratorium to prevent the shutoff of gas and electricity services for the state's hardship customers.

RESPONSE FROM ADMINISTRATION/AGENCY:

Gillett, Marissa, Chairman - Public Utilities Regulatory Authority (PURA) – Supports the bill's intention to support and improve energy affordability programs in Connecticut. The Authority strongly supports the adjustments to the general statutes proposed in subsection (b)(5) to benefit all Connecticut ratepayers, particularly low-income residents. In addition, the Authority supports the provisions included in subsection (b)(9) for clarifying PURA's authority to act in the interest of the state's ratepayers. In subsection (b)(10), the Authority supports the intention to allow the Authority to utilize funds to encourage and enroll eligible customers in energy affordability and payment programs; however, the Authority advises that the utility company shareholder funds should be used to support the energy affordability programs since the bill intends to alleviate the burdens placed on Connecticut's ratepayers and hardship customers.

Dykes, Katie, Commissioner - CT Department of Energy and Environmental Protection (CT DEEP) – Generally supports the bill’s intention to protect Connecticut’s ratepayers. In section 9 of the bill, DEEP suggests that the amount of time for PURA to determine amortization agreements be codified in the statutes to clarify PURA’s discretion in such matters. DEEP also recommends that the length of any amortization agreements should be determined relative to a particular customer’s financial situation, noting further that a reasonable agreement will include adjustments for payments that were once affordable but become unaffordable due to changes in a customer’s financial circumstances. DEEP advises against permitting customers to incur an unmanageable level of arrearages to prevent future cost increases for all ratepayers. In Section 10, DEEP supports the provision of a fund for organizations that will assist customers with their bills, arrearage payments, reasonable amortization agreement, and enrollment in energy assistance programs.

Coleman, Claire, Consumer Counsel - CT Office of Consumer Counsel (OCC) – Supports the bill’s intention to increase protections for Connecticut’s low-income ratepayers, recognizing that the state’s ratepayers are still facing an affordability crisis. OCC thus expresses concerns on the increase of arrearages for hardship customers proposed in the bill. OCC notes that Connecticut’s utilities already carry over \$600M of unpaid debt, and half of the state’s two million electricity and gas customers are behind on their payments, including a large share of non-hardship residential customers. OCC, therefore, supports Sec. 1(b)(9) proposed in the bill to permit PURA to authorize utility customer amortization agreements. But OCC has concerns with Section 1(b)(10), noting that ratepayer dollars should not compensate funding organizations currently funded through foundation grant funding and other non-ratepayer funding. This recommendation is based on the bill’s intention to increase affordability for the state’s ratepayers. Ratepayers already contribute to many programs, such as utility matching payment programs, arrearage forgiveness programs, and other energy affordability measures. OCC also seeks clarification regarding Section 1(b)(11), expressing concerns over the extension of the moratorium as it may unnecessarily result in additional costs for ratepayers.

NATURE AND SOURCES OF SUPPORT:

Tom Swan, Executive Director - CT Citizen Action Group (CCAG) – Supports the bill as a common-sense proposal to help consumers with their utility debt.

Bonnie Roswig, Director of Disability Rights - Center for Children’s Advocacy – Strongly supports the bill, noting that it would help Connecticut’s ratepayers and the tens of thousands of hardship utility customers at risk of losing power after May 1. This bill would encourage hardship utility customers to use the available energy assistance resource. The proposed revisions to subsection (b) of Conn. Gen. Stat. § 16-262c will help Connecticut’s ratepayers by revising the existing language governing the Matching Payment Program (MPP), extending the time for PURA to review the hardship programs (proposed in subsection 5 of the bill), enabling PURA to negotiate reasonable amortization agreements (proposed in subsection 9), and providing a fund for hardship customers to acquire legal aid (offered in subsection 10).

John Erlingheuser, Senior Director of Advocacy, American Association of Retired Persons – CT (AARP CT) – Supports the bill’s aim to expand PURA’s authority to extend protections for

Connecticut's hardship customers. The proposed changes are pro-consumer and will help ratepayers manage their utility debt.

Kathy Flaherty, Executive Director - Connecticut Legal Rights Project – Supports the bill because it would help the state's hardship customers, especially during the winter and summer months when they are at a higher risk of losing their utility services on account of higher energy usage. Furthermore, the Connecticut Legal Rights Project expresses concerns over utility companies making record profits while Connecticut's ratepayers and its hardship customers are struggling. The proposed changes will enable PURA to help the state's customers pay their utility bills and access energy assistance programs.

NATURE AND SOURCES OF OPPOSITION:

Tracey Pelella, Vice President, Customer Service-United Illuminating – Opposes the bill, believing that PURA is already taking sufficient action to address this issue and the increase in arrearages could hurt Connecticut's hardship customers even more.

Gary Corigliano, Officer – Opposes

Reported by: David deHaas & Robert Downes Date: 3/14/23