



**AARP testimony on Senate Bill No. 123**

**AN ACT CONCERNING THE PUBLIC UTILITIES REGULATORY AUTHORITY,  
THE REGULATION OF ELECTRIC RATES AND STATE PUBLIC POLICY  
CONCERNING ELECTRICITY GENERATION**

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**Energy and Technology Committee**

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AARP is a nonpartisan, social mission organization with a membership of people 50+ of nearly 38 million nationwide, and approximately 600,000 members here in Connecticut. AARP supports livable communities for all ages, aging in place initiatives and financial opportunity and resiliency for everyone as they work age and retire. We are before the General Assembly every year on a multitude of bills that support these issues.

AARP has policy that supports some of the provisions laid out in S.B. No. 123. My testimony will enumerate the sections of the bill that we support and/or sections that should be strengthened. If we are silent on sections, we have no position and are neutral.

Decoupling: **Section 1** states that for rate cases filed on or after October 1, 2023, or for which final decision has not been rendered on or after October 1, 2023, PURA *may* (rather than shall) order decoupling (of distribution revenues from the volume of electric and gas sales). The Commission has the discretion to determine the decoupling mechanism and methodology. AARP opposes the policy of decoupling because it takes away the incentive for ratepayers to conserve, therefore, AARP supports the new language.

Settlements: **Section 2** would change language defining more comprehensively the role of settlements in PURA investigations (rather than encouraging settlements, settlements would be permitted). The bill would set parameters for such settlement (e.g., may not extend more than three years from PURA's approval, settlements must be accompanied by testimony from at least one witness representing each party to the settlement). AARP Supports this provision. AARP New York has recently begun encouraging hearings rather than settlements and has the same problem with settlements Connecticut has they are too protracted, and they are frequently anti-consumer.

The content of consumers' bills: **Section 3** adds a directive to PURA to initiate a docket to redesign the standard billing format. PURA must identify each charge comprising the electric rate and determine which category the charge falls into using the following categories: (A)

Supply; (B) distribution; (C) transmission; and (D) public policy. PURA must require each EDC's billing format to identify each such charge and corresponding category and must report back by January 1, 2024 to the Legislature on the status of this docket. AARP supports this provision, which enhances transparency in billing.

Procurement: **Section 15** establishes "a task force to study electric distribution companies' procurement of electric generation services for standard service." It also identifies the members of the task force and its responsibilities. AARP believes that any study of procurement should be done by a proceeding at PURA.