

OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200
Hartford, CT 06106 ◇ (860) 240-0200
<http://www.cga.ct.gov/ofa>

SB-7

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

AMENDMENT

LCO No.: 8797

File Copy No.: 338

Senate Calendar No.: 198

OFA Fiscal Note

See Fiscal Note Details

The amendment strikes the underlying bill and its associated fiscal impact.

The amendment makes a variety of changes that each have a fiscal impact. The bill will impact state funds 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 qualification 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. Most of the changes in the amendment impact ratepayers while having some impact on state costs.

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

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

Primary Analyst: MT
Contributing Analyst(s):

5/25/23
(FN)

Section 29: 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:

There are a variety of factors in the amendment impacting ratepayers. Ultimately the impact is indeterminate. The creation of a performance-based rate model could result in lower general rates for ratepayers depending on implementation. Various adjustments of costs throughout the bill that are no longer recoverable through rates may reduce rates. 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.

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.