

I've asked the CT Public Utilities Regulatory Authority if it understands why the cost of electric and taxes (In CT) are among the highest in the United States. Now, I'm asking the same of the State Tax Panel.

My *attached* letter to the CT PURA will hopefully help with your understanding.

Do call if you have any questions.

Sincerely,
C. Douglas Stram
36 Kingswood Road
Danbury, CT 06811
(203) 746-1669

September 8, 2015

36 Kingswood Road
Danbury, CT 06811

CT Public Utility Regulatory Authority
10 Franklin Square
New Britain, CT 06051

Re: Complaint -- Analysis of Outrageous Electric Bill

Today the truly private sector (backbone of the American economy) has the ability and solutions to provide **real** utility competition without the need to burden society with outrageous electric bills. My reason for writing is to provide the CT PURA the opportunity to take responsibility for and respond to the electric bill described below.

I'm addressing just one excessive electric bill because of Eversource energy's stated inability to do anything about this bill. This provided me the impetus to use my previous electric utility experience and accomplishments as an electrical engineer, contractor and inspector to explain why electric rates are so high. President Obama truthfully stated, "**electricity rates would necessarily skyrocket.**" in reference to alternative energy policies, in particular solar.

Electric Bill Analysis: A non-profit organization that has done much for the City of Danbury, CT, for the Greater Danbury area youth and serves as a humanitarian organization in the State of CT would like to understand why Eversource energy's electric bills are so high. The facts using Eversource June 22, 2015 statement:

1. Used **404 kWh** (30 Day Billing Period May 20 - June 19). This energy usage is

approximately 20% less than the average monthly home use. But, this Eversource customer's bill of **\$206.95** is approximately three times greater than the average monthly home bill.

2. The total electric charge (Generation Service Charge plus Eversource Delivery Charge) of \$206.95 divided by 404 kWh is **\$0.5123 per kWh. Do you consider this outrageous?**

NOTE 1: The GSC plus the "Bypassable Federally Mandated Congestion Charge" combined equals **27%** of this electric bill and can be lowered. **But**, Eversource Delivery Service Charge (*for distribution, transmission, customer service charge, Federally Mandated Congestion Charge, the Combined Public Benefit Charge made up of Conservation & Load Management Charge + **Renewable Energy Investment Charge** + Systems Benefits Charge including The Public Utilities Regulatory Authority approved Conservation Adjustment Mechanism in Docket No. 13-11-14 + CT Tax*) is **73%** of the electric bill and leaves the customer (captive) at the mercy of a government-regulated monopoly. **Does it make sense to you to force non-solar customer to pay for "renewable (solar PV) energy investments" on their electric bill?**

NOTE 2: Solar PV customers selling energy back to Eversource (net metering), are using Eversource delivery facilities, but **not paying Eversource delivery charges** on generated energy. The CT PURA allows a 13% rate of return on Eversource delivery facilities investment and in essence divides delivery costs by the kWh's delivered to determine unit price of delivery (does not include solar kWh purchased use of facilities). This means, since the rate of return equals kWh delivered times Price per kWh (ROR = Q x P), that **non-solar**

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customers are also paying for solar customers use of Eversource delivery facilities -- as quantity delivered decreases (with increased solar generation purchased) the unit price goes up. Does the CT PURA consider this fair and equitable to non-solar customers?

NOTE 3: From Eversource June 22 Statement:

Distribution Rate 030 -- 5.5KW Demand -- 404 kWh -- 30 days (720 hours)

$$\text{Load Factor} = \frac{404,000 \text{ watt-hours}}{5,500 \text{ watts} \times 720 \text{ hours}} \times 100\% = \mathbf{10.2\%}$$

While energy conservation and efficiency measures taken by this non-profit organization are helpful, they pale in comparison to exorbitant delivery charges (unit cost) under Eversource Commercial Distribution Rate 030. And, while there are many techniques for improving load factor to **greatly reduce the unit cost of electricity for businesses**, there is virtually **little that can be done for non-profit** organizations. This includes churches, that only reach a metered peak demand on special occasions for a short period of time.

(I improved L.F. to over 90% for a Fortune 500 company, saving \$1.72 million in 8 months without any investment and reduced annual energy budget from \$12 million to \$9 million).

Is lack of a more reasonable rate structure for non-profits considered discriminatory?

NOTE 4: FYI: If 404 kWh was billed under Eversource Residential Distribution Rate: 001, the total bill would be \$102.93 and with a lower GSC from outside supplier \$84.95 (Verses \$206.95 paid by non-profit). Because **residential** customers do not have demand meters (energy metering only) this 001 rate design **assumes** all residential customers have a 60% load factor. This means **lower-income and minority communities in particular are**

discriminated against and are essentially being **forced** to further subsidize solar customers and those with lower load factors. **Is this fair?**

Since Eversource can't do anything about this outrageous electric bill, I ask what about the CT PURA? The FERC? The \$24 Billion per year DOE? The heavily funded EPA?

NOTE: 5 FYI: **Solar customers are not paying their fair share of community property taxes** either because solar installations (average \$30,000), that are part of a structure (roof or concrete pad), **are now exempt** from community property taxes. This means that non-solar tax providers are again further subsidizing solar customers. **Does the CT PURA understand why the cost of electric and taxes in CT are among the highest in the United States?**

Future letters will endeavor to empower my fellow Americans with the **TRUTH** regarding the Obama / EPA Green at any cost energy policies, that are detrimental and discriminatory to the well-being of America and its citizens. There would be no roof-top solar PV installations if not for Federal subsidies and tax credits and I will dispel the myths that solar PV is cost effective, efficient, reliable, free, and available during a utility outage. I encourage American citizens to ask: **How much?, Who pays? and Who Benefits ?**

Sincerely,

C. Douglas Stram

Bcc: At my discretion