

Senate, March 23, 1998. The Committee on Energy and Technology reported through SEN. PETERS, 20th DIST., Chairman of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT PROTECTING THE CREDIT OF UTILITY CUSTOMERS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 16-262d of the general statutes, as
2 amended by public act 97-11, is repealed and the
3 following is substituted in lieu thereof:

4 (a) No electric, gas, telephone or water
5 public service company, and no municipal utility
6 furnishing electric, gas or water service may
7 terminate such service to a residential dwelling
8 on account of nonpayment of a delinquent account
9 unless such company or municipal utility first
10 gives notice of such delinquency and impending
11 termination by first class mail addressed to the
12 customer to which such service is billed, at least
13 thirteen calendar days prior to the proposed
14 termination, except that if an electric or gas
15 public service company or municipal utility
16 furnishing electric or gas service has issued a
17 notice under this subsection but has not
18 terminated service prior to issuing a new bill to
19 the customer, such company or municipal utility
20 may terminate such service only after mailing the
21 customer an additional notice of the impending
22 termination, addressed to the customer to which
23 such service is billed either (1) by first class

24 mail at least thirteen calendar days prior to the
25 proposed termination or (2) by certified mail, at
26 least seven calendar days prior to the proposed
27 termination. In the event that multiple dates of
28 proposed termination are provided to a customer,
29 no such company or municipal utility shall
30 terminate service prior to the latest of such
31 dates. For purposes of this subsection, the
32 thirteen-day periods and seven-day period shall
33 commence on the date such notice is mailed. If
34 such company or municipal utility does not
35 terminate service within one hundred twenty days
36 after mailing the initial notice of termination,
37 such company or municipal utility shall give the
38 customer a new notice at least thirteen days prior
39 to termination. Every termination notice issued by
40 a public service company or municipal utility
41 shall contain or be accompanied by an explanation
42 of the rights of the customer provided in
43 subsection (c) of this section.

44 (b) No such company or municipal utility
45 shall effect termination of service for nonpayment
46 during such time as any resident of a dwelling to
47 which such service is furnished is seriously ill,
48 if the fact of such serious illness is certified
49 to such company or municipal utility by a
50 registered physician within such period of time
51 after the mailing of a termination notice pursuant
52 to subsection (a) of this section as the
53 Department of Public Utility Control may by
54 regulation establish, provided the customer agrees
55 to amortize the unpaid balance of his account over
56 a reasonable period of time and keeps current his
57 account for utility service as charges accrue in
58 each subsequent billing period.

59 (c) No such company or municipal utility
60 shall effect termination of service to a
61 residential dwelling for nonpayment during the
62 pendency of any complaint, investigation, hearing
63 or appeal, initiated by a customer within such
64 period of time after the mailing of a termination
65 notice pursuant to subsection (a) of this section
66 as said Department of Public Utility Control may
67 by regulation establish; provided, any telephone
68 company during the pendency of any complaint,
69 investigation, hearing or appeal may terminate
70 telephone service if the amount of charges
71 accruing and outstanding subsequent to the

72 initiation of any complaint, investigation,
73 hearing or appeal exceeds on a monthly basis the
74 average monthly bill for the previous three months
75 or if the customer fails to keep current his
76 telephone account for all undisputed charges or
77 fails to comply with any amortization agreement as
78 hereafter provided.

79 (d) Any customer who has initiated a
80 complaint or investigation under subsection (c) of
81 this section shall be given an opportunity for
82 review of such complaint or investigation by a
83 review officer of the company or municipal utility
84 other than a member of such company's or municipal
85 utility's credit department, provided the
86 Department of Public Utility Control may waive
87 this requirement for any company or municipal
88 utility employing fewer than twenty-five full-time
89 employees, which review shall include
90 consideration of whether the customer should be
91 permitted to amortize the unpaid balance of his
92 account over a reasonable period of time. No
93 termination shall be effected for any customer
94 complying with any such amortization agreement,
95 provided such customer also keeps current his
96 account for utility service as charges accrue in
97 each subsequent billing period.

98 (e) Any customer whose complaint or request
99 for an investigation has resulted in a
100 determination by a company or municipal utility
101 which is adverse to him may appeal such
102 determination to the Department of Public Utility
103 Control or a hearing officer appointed by the
104 department.

105 (f) If, following the receipt of a
106 termination notice or the entering into of an
107 amortization agreement, the customer makes a
108 payment or payments amounting to twenty per cent
109 of the balance due, the public service company
110 shall not terminate service without giving notice
111 to the customer, in accordance with the provisions
112 of this section, of the conditions the customer
113 must meet to avoid termination, but such
114 subsequent notice shall not entitle such customer
115 to further investigation, review or appeal by the
116 company, municipal utility or department.

117 (g) NO ELECTRIC, GAS, TELEPHONE OR WATER
118 PUBLIC SERVICE COMPANY AND NO MUNICIPAL UTILITY
119 FURNISHING ELECTRIC, GAS OR WATER SERVICE SHALL

120 SUBMIT TO A CREDIT RATING AGENCY, AS DEFINED IN
121 SECTION 36a-695, ANY INFORMATION ABOUT A
122 RESIDENTIAL CUSTOMER'S NONPAYMENT FOR ELECTRIC,
123 GAS, TELEPHONE OR WATER SERVICE UNLESS THE
124 CUSTOMER IS MORE THAN NINETY DAYS DELINQUENT IN
125 PAYING FOR SUCH SERVICE. IN NO EVENT SHALL SUCH A
126 COMPANY OR MUNICIPAL UTILITY SUBMIT TO A CREDIT
127 RATING AGENCY ANY INFORMATION ABOUT A RESIDENTIAL
128 CUSTOMER'S NONPAYMENT FOR SUCH SERVICE IF THE
129 CUSTOMER HAS INITIATED A COMPLAINT, INVESTIGATION
130 HEARING OR APPEAL WITH REGARD TO SUCH SERVICE
131 UNDER SUBSECTION (c) OF THIS SECTION THAT IS
132 PENDING BEFORE THE DEPARTMENT.

133 STATEMENT OF LEGISLATIVE COMMISSIONERS: In
134 subsection (g), "NO SUCH COMPANY AND NO SUCH
135 MUNICIPAL UTILITY" was changed to "NO SUCH
136 ELECTRIC, GAS, TELEPHONE OR WATER PUBLIC SERVICE
137 COMPANY AND NO SUCH MUNICIPAL UTILITY FURNISHING
138 ELECTRIC, GAS OR WATER SERVICE" for accuracy, and
139 "HEARING OR APPEAL" was added after
140 "INVESTIGATION" for internal consistency.

141 ET COMMITTEE VOTE: YEA 15 NAY 1 JFS

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"THE FOLLOWING FISCAL IMPACT STATEMENT AND BILL ANALYSIS ARE PREPARED FOR THE BENEFIT OF MEMBERS OF THE GENERAL ASSEMBLY, SOLELY FOR PURPOSES OF INFORMATION, SUMMARIZATION AND EXPLANATION AND DO NOT REPRESENT THE INTENT OF THE GENERAL ASSEMBLY OR EITHER HOUSE THEREOF FOR ANY PURPOSE."

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FISCAL IMPACT STATEMENT - BILL NUMBER sSB 498

STATE IMPACT	None, see explanation below
MUNICIPAL IMPACT	None, see explanation below
STATE AGENCY(S)	Department of Public Utility Control

EXPLANATION OF ESTIMATES:

Passage of this bill will have no state or municipal impact. The bill prohibits utility companies, including municipal electricity companies, from reporting delinquent customers to a credit rating agency until the customer is more than 90 days past due. However the bill does not effect the utility's current statutory ability to collect debts from customers.

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OLR BILL ANALYSIS

sSB 498

AN ACT PROTECTING THE CREDIT OF UTILITY CUSTOMERS

SUMMARY: This bill bars private and municipal electric, gas, and water utilities and telephone companies from (1) reporting a customer's nonpayment to a credit rating agency until the customer is more than 90 days delinquent and (2) providing any information to such an agency regarding a customer's nonpayment if the customer has a complaint pending before the Department of Public Utility Control. A violation is punishable by a fine of up to \$500, imprisonment of up to 30 days, or both.

6

File No. 104

EFFECTIVE DATE: October 1, 1998

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute
Yea 15 Nay 1