The Energy And Technology Committee

February 28, 2008

Raised (House) Bill No. 5598, AAC The Department of Public Utility Control

Testimony of

The Office of Consumer Counsel

Mary J. Healey, Consumer Counsel

The Office of Consumer Counsel (OCC) has carefully reviewed and largely supports Raised Bill No. 5598, An Act Concerning The Department of Public Utility Control, but has concerns about certain aspects.

Section 2 of the Bill would convert hearings on the purchased gas adjustment clause to an annual time frame, whereas hearings are presently mandated to be held every six months. There is also a new provision that would allow purchased gas adjustment clause hearings to occur more frequently than annually, upon application by OCC. It is OCC's understanding, based on the language of Section 2, that the Department of Public Utility Control *would hold* a purchased gas adjustment hearing upon application of the OCC, and would not treat an OCC application as a suggestion. This is important, because there are presently before the DPUC some proposed changes to the purchased gas adjustment clause which may warrant a continuation of the semiannual hearings for the short-term, while annual hearings may be acceptable in the longer term. So, with the understanding that an OCC application would lead to a purchased gas adjustment clause hearing, we would agree with Section 2.

Section 4 of the Bill adds a provision that would allow the DPUC and OCC to hire expert consultants in matters before federal administrative agencies. OCC strongly supports this provision for both the DPUC and the OCC, and in particular there is a known need for such consultants in matters before the Federal Energy Regulatory Commission. On the downside, Section 4 of the Bill as presently drafted would take away the present rights of the DPUC and OCC to hire outside legal counsel for federal administrative proceedings. This would be troubling if passed, as it would reduce the capability of said agencies to participate in federal matters. However, it is OCC's understanding that the removal of outside counsel hiring rights for DPUC and OCC is a drafting error. In other words, it is OCC's understanding that DPUC's intention is that the hiring of consultants for federal matters be a supplement to, and not

replacement for, hiring of outside counsel. With that change, OCC would support Section 4.

Section 16 of the Bill would create an "administrative proceeding" for establishing performance standards and performance based reporting requirements for wholesale services provided by AT&T to other telecommunications providers. OCC agrees with the DPUC that there should be a proceeding on this issue before DPUC, and notes that the proceeding may determine the rights and responsibilities of AT&T and competitive providers. Because the proceeding may determine such rights and responsibilities, the OCC respectfully suggests that the proceeding should be expressly characterized as a "contested proceeding."