

The Energy and Technology Committee

February 3, 2009

Raised Bill No. 6302, AAC REVISIONS TO THE UTILITY STATUTES

Testimony of

The Office of Consumer Counsel

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The Office of Consumer Counsel (OCC) has carefully reviewed Raised Bill No. 6302, AAC Revisions to the Utility Statutes. This bill has many sections on diverse topics. OCC supports certain sections of the bill, opposes one section, and has no objection to some sections at the present time. As discussed below, OCC supports Sections 1, 3, 4, 5 and 7 and opposes Sections 2 and 6. OCC does not oppose Section 8-17, but would like to hear more details about these provisions and the perceived need for them.

Section 1 of the bill would add subsection (d) to Conn. Gen. Stat. § 16-18a, allowing DPUC to hire consultants for various federal proceedings. Presently, under Conn. Gen. Stat. § 16-6a, it is OCC's understanding that DPUC must first hire an outside lawyer for such federal proceedings, who would then hire the necessary consultants. This section would eliminate the need for DPUC to first hire an outside lawyer where only an outside consultant is desired, and would allow DPUC to hire the outside consultants directly. OCC supports DPUC having this power as a cost reduction measure and to facilitate the efficient participation by DPUC in federal proceedings. OCC hopes that DPUC will support a similar change to give OCC the same opportunity.

Section 2 of the bill would add subsection (c) to Conn. Gen. Stat. § 16-35, providing that DPUC administrative matters involving a request for proposals or any other procurement process shall be "uncontested" cases, such that parties would not have a right to appeal from the judgment. OCC opposes this provision. It is OCC's understanding that the law is clear that disappointed bidders are already practically forbidden from filing appeals in DPUC procurement matters. Thus, Section 2 would only bar the door to the OCC and the electric distribution companies, who may have legitimate concerns about the costs or legality of a DPUC procurement decision.

Section 3 of the Bill would amend Conn. Gen. Stat. § 16-262j(c) to provide that the Banking Commissioner will determine the rate of security deposits of customers. OCC supports this change.

Section 4 of the Bill would amend Conn. Gen. Stat. § 16-8a(c) to allow DPUC some additional time (ninety days rather than thirty days) to make a

preliminary finding in an employee retaliation claim. OCC supports this change.

Section 5 of the Bill would amend Conn. Gen. Stat. § 16-262c to clarify that an electric distribution company cannot deny electric service in the winter months to customers that have a true hardship. OCC supports this change.

Section 6 of the Bill would amend Conn. Gen. Stat. § 16-247p(b) to provide that certain performance standards and performance reporting requirements for certain functions provided by a telephone company can be developed by the department through administrative proceedings rather than through formal regulations. It would also add a new Conn. Gen. Stat. § 16-247p(c) that would prevent the DPUC from establishing performance standards and reporting requirements for services that a telephone company provides to competitive carriers. OCC opposes Section 6 of the bill. We have only minimal retail regulations for telephone service now. The largest telephone service provider in the State has failed to meet the key measure for restoration of out-of-service conditions every month for approximately the past eight years. We need to improve service quality in our State. As the Legislature prescribed in the existing statute, these standards should be regulations, not merely developed through administrative proceedings. We need to add some retail regulations in customer service center operations, for which there is now no standard. For wholesale service, the current statute required that regulations be adopted by April 2000. They were never adopted. We need good wholesale regulations that will promote economic development and properly serve the wholesale companies' customers.

Section 7 of the Bill would amend Conn. Gen. Stat. § 16-19(a) so that customers will receive better and more timely information from their utility about public hearings on pending rate increases, as well as information about filing a concern with DPUC. OCC supports this change.

Sections 8 through 16 of the Bill would establish the existence of an entity called an "electric broker" in addition to the current classes of "electric supplier" and "electric aggregator." OCC takes no position as to these changes at the present time, and would like to hear more details about the need for this change.

Section 17 would add a new Conn. Gen. Stat. § 16-2(f)(2) to allow the Chairperson of the DPUC to appoint a designee to serve on behalf of the DPUC to serve on a board or council to facilitate state or regional initiatives. OCC takes no position on this at the present time, but would like to hear more details about the need for this provision.