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STATE OF CONNECTICUT

House Bill 6526: *An Act Concerning Electric Suppliers*

Chairman Arconti, Ranking Member Ferraro, Chairman Needleman, Ranking Member Formica, and distinguished members of the Energy and Technology Committee, thank you for the opportunity to submit testimony in support of specific provisions of HB 6526, *An Act Concerning Electric Suppliers*.

This bill provides critical consumer protections in the retail electric supply market, the necessity of which is readily apparent in numerous Public Utilities Regulatory Authority ("PURA") dockets. These dockets include enforcement proceedings in which PURA has fined third-party electric suppliers up to \$1.5 million each for flouting existing consumer protection laws.

While there have been important consumer protection laws passed since electric deregulation in 1998, our direct experience indicates that illegal and deceptive sales practices persist. This bill includes necessary and appropriate improvements in the regulation and oversight of third-party retail electric suppliers.

We strongly support the elimination of the early termination fee of fifty dollars for residential customers in Section 1. We also strongly support the clarification in Section 2 that any third-party who contracts with or is compensated by a third-party marketer of an electric supplier to sell electric generation services for the electric supplier shall be a legal agent of the electric supplier. Section 4 contains the important consumer protection that an electric supplier shall not automatically renew fixed price term contracts for residential customers. We further support the amendment reflected in Section 6 which expressly permits PURA to regulate electric supplier customer assignments and transfers. Finally, we support the provisions in Section 7 allowing PURA to regulate electric suppliers, so their products are not overpriced or harmful to customers.

Section 3 of HB 6526 permits PURA to limit the ability of hardship customers to contract with electric suppliers by (A) ordering all hardship customers to be placed on standard service; (B) ordering all customer contracts with electric suppliers, entered into on or after a determined date, to be at or below the standard service rate; or (C) ordering all customer contracts, entered into on and after a determined date, to comply with appropriate limitations that PURA deems necessary. (Emphasis added.) Our office was a strong supporter of PURA's 2019 Final Decision in Docket No. 18-06-02 which ordered all hardship customers to be placed on standard service. We continue to support all hardship customers being on standard service as the best policy without qualifications, thus rendering the amendments in Section 3 unnecessary and potentially increasing rates for all ratepayers to implement utility billing upgrades benefitting electric suppliers. We urge removal of this section through substitute language.

In sum, the consumer protections in Sections 1, 2, 4, 6, and 7 of this bill are essential to protect Connecticut consumers. Thank you once again for the opportunity to submit testimony on this important bill, and please do not hesitate to contact me if you have any questions or concerns.