



STATE OF CONNECTICUT



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AG, OCC Win Refunds for Residents Charged Through Unauthorized Sub-metering of Electricity

For immediate release

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HARTFORD – Attorney General George Jepsen and Consumer Counsel Elin Swanson Katz said today that refunds have been ordered to tenants of a New Haven apartment building who had been billed for heating and cooling costs through a system that represented illegal sub-metering of electricity.

The decision and orders by the state Public Utilities Regulatory Authority Thursday upheld a petition filed by the Attorney General and Consumer Counsel. They sought PURA review after receiving a number of complaints from tenants of 38 Crown Street about the practice.

“Sub-metering of electricity is restricted by state law because it does not afford consumers the same protections the law provides for utility customers,” Attorney General Jepsen said. “I am pleased the PURA agreed and ordered the property manager to stop the practice and refund the money collected to tenants.”

Consumer Counsel Elin Swanson Katz stated that “[t]his matter arose because tenants had the courage to complain about bills they were receiving that didn't make sense, and to express their frustration in dealing with PMC to resolve these issues. We are pleased that PURA's ruling not only protects tenants' interests in a robust way, but also establishes an important precedent that PURA will look broadly at the types of activities that constitute unauthorized sub-metering.”

PMC Property Group, Inc. manages 38 Crown Street, a complex of four connected buildings housing 65 apartment units and one commercial tenant. Energy Management Systems (EMS), a utility rebilling company, billed the tenants for electricity used to operate the complex's heating, ventilation and air condition system based on their estimated usage.

The regulators ordered PMC and EMS to stop the practice immediately. Further, PMC was ordered to make a full refund to tenants by June 26 for all sub-metering charges collected since the practice began in March, 2012.



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Current law allows sub-metering of electricity only at recreational campgrounds, marinas and other locations approved by PURA. PMC did not seek authorization from PURA prior to the sub-metering activity at 38 Crown Street.

The new energy policy bill approved by the General Assembly would also allow sub-metering in residential and commercial buildings with the PURA's approval and only where the regulators have established appropriate consumer protections.

Assistant Attorneys General John Wright and Michael Wertheimer, with Associate Attorney General Joseph Rubin, assisted the Attorney General with this matter. Attorney Joseph Rosenthal assisted the Consumer Counsel.

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