



## **New Charge Included in Your 2014 Electric Bill**

Connecticut Public Act No. 13-247 requires that electric ratepayers provide the funds to finance loans for residential furnace and boiler heating equipment replacement. Most of the loans will be used by consumers to replace their oil heating equipment with natural gas equipment, in conjunction with the state's natural gas expansion program. In the Public Utilities Regulatory Authority Docket No. 13-06-02, PURA Investigation of Connecticut's Local Distribution Companies' Proposed Expansion Plans to Comply With Connecticut's Comprehensive Energy Strategy, the state's three regulated natural gas distribution companies filed Connecticut's Gas Local Distribution Companies Joint Natural Gas Infrastructure Expansion Plan (Plan). The Plan describes the loan program as "an important tool to provide potential customers additional options to finance the conversion costs associated with a move to a natural gas furnace or boiler." (Plan, p. 83.)

Key features of the loan program include:

- Interest rates may be set as low as zero percent and as high as three percent.
- The expenses of a third-party administrator will be included in the loan program costs.
- The loan program will pay for any defaults.
- The loans will be made during a three-year period, after which no new loans will be made.
- Electric ratepayers will pay for the loan program on a per-kWh usage basis.
- As the loans are paid off over their lives, the repayment funds, minus expenses for administration and defaults, will be returned to electric ratepayers.



The charges to electric ratepayers will be included as a Systems Benefits Charge in the Combined Public Benefits Charge line item on the bill. The exact amount of the charge for 2014 will be determined soon.