

OFFICE OF CONSUMER COUNSEL



At a Glance

Agency - Office of Consumer Counsel

Consumer Counsel – ELIN SWANSON KATZ

Established - 1975

Statutory Authority - Conn. Gen. Stat. §16-2a

Central Office - Ten Franklin Square, New Britain, CT 06051

Number of employees - 13

Recurring operating expenses - \$ 2,759,988

Organizational Structure – The Office of Consumer Counsel is an independent office. The Department of Energy and Environmental Protection (“DEEP”) provides administrative support pursuant to Public Act 11-80.

Mission

The Office of Consumer Counsel serves as a strong independent voice for Connecticut’s public utility and telecommunications consumers through advocacy and customer education.

Statutory Responsibility

The Office of Consumer Counsel’s (“OCC”) statutory responsibilities include:

- Advocating for Connecticut’s ratepayers in all matters which impact them regarding public service companies, electric suppliers, and certified telecommunications providers;
- Participating in any regulatory or judicial proceeding which involves ratepayer interests, or matters affecting utility services provided in Connecticut;
- Representing ratepayers as a party to each contested docket before the Public Utilities Regulatory Authority (“PURA”);
- Appealing a decision, order, or authorization in any regulatory proceeding conducted by the PURA, even if the OCC does not appear or participate in the proceeding;
- Addressing issues which involve proposed rate increases; activities of ratepayer-funded programs; and the reliability, maintenance, operations, infrastructure, and quality of service of utility companies, suppliers and providers.

Public Service

The OCC increased public awareness of the issues and challenges our state's utility consumers faced this year by:

- Voicing ratepayer concerns. Public information and consumer education is one of the OCC's top priorities. OCC's website (www.ct.gov/occ) is updated throughout each week with breaking utility news and its impact on ratepayers, coverage of OCC's advocacy work in current PURA dockets, and links to OCC's briefs in court cases and dockets as well as legislative testimony;
- Promoting efficient, reliable, and reasonably-priced utility and telecommunications service through advocacy in dockets and court cases;
- Supporting consumer-friendly laws, regulations, and policies that protect and enhance consumer interests through advocacy in state and federal legislative arenas; and
- Scheduling meetings between the Consumer Counsel and town officials throughout the state on storm preparation and response issues affecting municipalities, and speaking to civic groups as requested on current utility issues.

Improvements/Achievements 2012-2013

During its thirty-eighth year, the OCC continues to operate as a fully independent state agency committed to effectively carrying out its statutory mandate. OCC's specific achievements this year include:

- **Savings to Consumers:** The OCC achieved approximately \$500 million dollars in direct savings to Connecticut ratepayers' utility bills in the 2013 fiscal year through its advocacy in dockets before the PURA, court decisions, and advocacy in matters before the Federal Energy Regulatory Commission ("FERC").
- **Advocacy in PURA Dockets:** OCC participated in over 200 dockets opened by the PURA in Fiscal Year 2013, involving every regulated utility in our state, taking on issues vital to ratepayers such as: utility companies restoration performance following Storm Sandy and their response plans for future extreme weather events; rate increases requested by the Aquarion Water Company, The United Illuminating Company, and Connecticut Natural Gas; the feasibility of establishing low income discounted rates for electric and gas services; the consolidation of water companies; the Connecticut Energy Efficiency Fund's Conservation and Load Management Plan; petitions by United Illuminating and Connecticut Light and Power to recover their 2011-2012 storm costs; and obtaining refunds to tenants of a New Haven apartment building who had been billed for heating and cooling costs through illegal submetering of electricity.

PURA initiated at least 4 dockets this fiscal year to investigate and follow-up on the numerous issues raised by dockets opened in 2011 following Storms Alfred and Irene and in 2012 following Storm Sandy. OCC provided vigorous advocacy for ratepayers in all of these dockets, recommending the continued development and effective implementation of integrated emergency plans by the State, municipalities, and utilities; better pre-storm

planning, training and drills; the need to monitor and review electric line worker staffing; better communication between utilities and municipalities to establish town priorities for public safety, road clearance and power restoration at key facilities; and the need for coordinated utility pole administration, including more clarity on which utility will be responsible for pole repair and replacement obligations.

For more information on the OCC's work in PURA dockets, visit the OCC's homepage at: www.ct.gov/occ.

- **Advocacy on DEEP/Bureau of Energy and Technology Policy (“BETP”) Matters:** The OCC collaboratively worked with DEEP during Fiscal Year 2013 on a number of initiatives. Most significantly, the OCC actively participated in the stakeholder processes for the development of the Comprehensive Energy Strategy (“CES”), and continues work on the Integrated Resource Plan (“IRP”), by partaking in technical sessions and submitting comprehensive comments.
- **Advocacy in Siting Council Dockets:** The OCC actively participated in 3 Siting Council dockets in Fiscal Year 2013. These dockets included two applications by The Connecticut Light and Power Company for Certificates of Environmental Compatibility and Public Need for a proposed transmission project in Stamford and for a portion of the Interstate Reliability Project which consists of proposed transmission facilities traversing the northeast section of Connecticut. The OCC further participated in Docket 432, a Feasibility Study of Back-up Power Requirements for Telecommunications Towers and Antennas Pursuant to Public Act 12-148, which is also a docket originating from the storm investigations following the 2011 storms.
- **Advocacy in Court Cases:** From the Administrative Appeals Court to the Connecticut Supreme Court, OCC fought on behalf of ratepayers in these significant cases:

Waterside Power LLC v. Department of Energy and Environmental Protection: the OCC received a favorable court ruling in June that will save electric utility customers over \$1,000,000 in a very technical contract case involving a dispute over the amount of payments the owner of a Stamford power plant would receive under a 2007 contract to provide power to Connecticut residents. Many more millions may be saved for electric customers if the OCC prevails in two related cases currently awaiting decision.

Citizens Against Overhead Powerline Construction v. CT Siting Council et al. – OCC continued to represent ratepayers in this appeal of a 2010 Connecticut Siting Council decision granting Connecticut Light and Power a Certificate of Environmental Compatibility and Public Need for the Greater Springfield Reliability Project. Plaintiffs were granted *certiorari* by the Connecticut Supreme Court in February of this year after losing their case at the Appellate Court. The OCC filed its initial brief with the Supreme Court in June, arguing that the Supreme Court should dismiss plaintiffs appeal on the alternative ground that the plaintiffs had improperly appealed from a decision that was not final, as it was subject to reconsideration by the Connecticut Siting Council. OCC seeks dismissal of this case in order to provide certainty for all parties to administrative

appeals on which agency decision constitutes a final, appealable decision when an agency reconsiders an initial decision pursuant to Conn. Gen. Stat. §§ 4-181a and 4-183(c), as amended by Public Act 06-32. The case is fully briefed and awaiting assignment to the Supreme Court docket.

- **Legislative Advocacy**: OCC testified on numerous bills this year before the state legislature covering ratepayer issues such as electric submetering; the feasibility and safety of fracking; potential deregulation of phone companies; implementation of the DEEP's Comprehensive Energy Strategy; the proposed auction of standard service customers; expanded tree trimming; consumer protection of Cable TV and video service customers; and disclosure of utility executives' salaries. OCC's legislative testimony for 2013 is available at: <http://www.ct.gov/occ/cwp/view.asp?a=1419&q=271336> and additional information about new laws on energy and technology issues can be viewed at: <http://www.cga.ct.gov/2013/etdata/cbr/TBFRAMECBR1.HTM>.
- **Policy Issues Impacting Ratepayers**:
 - **FERC, ISO, NEPOOL (Regional Energy Issues)**: OCC saw real progress this year in regional electricity matters through its membership in the New England Power Pool ("NEPOOL") and advocacy at the FERC. In August, FERC released a preliminary decision that would significantly decrease payments from ratepayers to support regional electric transmission lines. For years, OCC and other Connecticut and New England public entities sought to reduce returns on investment that the utilities receive for building such lines, which returns are excessive. FERC agreed in its preliminary decision, reducing the financial return from 11.14% to 9.7%, a savings for Connecticut of approximately \$35 million per year. A final ruling is expected later this year or early next year.

In addition, OCC was a key part of a Connecticut-led team of state entities that successfully encouraged FERC to provide closer scrutiny to the budget of ISO New England, Inc. ("ISO-NE"), the regional electric system operator. A settlement was reached with ISO-NE that its 2013 administrative and capital budget would be reduced by \$2.85 million. In addition, new procedures were established to allow state agencies in New England to review the ISO-NE budget and provide feedback to FERC soon after ISO files its annual budget.

OCC also participated with other New England state agencies in a FERC matter that led to a settlement with three nuclear power plants in New England, including one in Connecticut, regarding the failure by the U.S. Department of Energy to develop a permanent nuclear waste repository for spent fuel currently stored at these facilities. New England ratepayers have been overpaying for local storage at these facilities because of federal delays in establishing such a federal nuclear waste repository. Connecticut's electric ratepayers will see their monthly bills reduced by approximately \$75 million over the next three years under a settlement plan for the distribution of funds.

There are numerous other active matters, including major market design changes, which OCC continues to work on with other stakeholders. The OCC recognizes the vital importance of working with other states on regional and federal issues to mitigate the high cost of energy and ensure reliable supply.

- Pole Administration: The OCC has recommended for over a decade that a statewide utility “pole administrator” be appointed to manage access to utility poles, objectively assign priority of work on the poles, and perform audits of the work and safety status of utility poles across the state. Critical public safety issues resulting from devastation to the state’s utility poles caused by the two 2011 storms (Irene and the October Nor’easter) led PURA and the pole-owning utilities to finally acknowledge the need for implementing central management of the public rights of way across Connecticut. A final decision on many vital issues in the administration of the Public Rights of Way (PROW) and coordination of emergency restoration is expected by the end of 2013.
- Broadband Advocacy Activities: The State’s Broadband Policy Coordinator, housed at the OCC, continues to manage the state’s broadband mapping and is developing a strategic plan dedicated to integrating broadband and information technology into state and local economies. This year’s efforts included continued work with UCONN, the Connecticut Education Network, and the Department of Economic and Community Development (DECD) to bring the national Gig.U ultra-high-speed broadband initiative to UCONN, a project which will enable Connecticut communities and businesses to compete globally. Improved telecommunications capability will ensure that Connecticut may compete on equal footing with other tech-savvy states and nations. Details of this exciting and challenging initiative are available at: www.ct.gov/broadband.
- State and National Advocacy: The OCC continued its participation and leadership this year in utility-related organizations, committees and boards, where it serves as a respected voice for ratepayers among state, regional and national policymakers and industry professionals, including the following:
 - LIEAB: The OCC participates in the Low Income Energy Advisory Board, (“LIEAB”), contributing to LIEAB’s annual recommendations to the Office of Policy and Management (“OPM”) and the Department of Social Services (“DSS”) on energy issues which impact low-income ratepayers, and urging Congressional leaders to support full funding of the Low income Home Energy Assistance Program (LIHEAP). For more information on the LIEAB, visit: www.ct.gov/deep/cwp/view.asp?a=4120&Q=506660
 - EEB and CEEF: The OCC continues to be a voting member of the Energy Efficiency Board (“EEB”), which oversees the Connecticut Energy Efficiency Fund (“CEEF”), serving on the Board’s Evaluation Sub-Committee, as well as the Residential/Home Energy Solutions Sub-Committee. On the EEB the OCC advocates on behalf of ratepayers by advising electric distribution

companies on programs and planning, as well as tracking and evaluating programs. www.ctenergyinfo.com/eeb/

- CEAB: The Consumer Counsel serves as Chair of the Connecticut Energy Advisory Board (“CEAB”). During Fiscal Year 2013, the CEAB actively contributed to the development of the Comprehensive Energy Strategy through multiple meetings with the DEEP, partaking in technical sessions, and submitting substantial comments on the draft CES. In addition, the CEAB studied a Certificate of Environmental Compatibility and Public Need that The Connecticut Light and Power Company filed with the Siting Council to assess whether non-transmission alternatives could address the need of the proposed transmission facilities in the application. For more details on CEAB’s activities, visit its website at www.ctenergy.org.
- Commission on Education Technology: By legislation effective July 1, 2013, the OCC was named as a voting member of the state’s Commission on Education Technology, which is the governance board for the statewide fiber network, the Nutmeg Network, which connects all 169 towns into a ultra-high speed Internet network jointly managed by the IT Group (BEST) and UCONN. In addition to educational institutions (K-12, UCONN, and state colleges), municipalities, community anchor institutions, and libraries are all eligible for state funding to connect to the new network. More information is available at: www.ct.gov/ctedtech/
- National Association of State Utility Consumer Advocates (“NASUCA”): the Consumer Counsel was appointed to the Executive Board of NASUCA in 2012, and she and other OCC staff are active members of this important national advocacy organization. Through her work with NASUCA, the Consumer Counsel participated on various conference panels, including an electricity industry panel in San Diego, California, and a Critical Consumer Issues Forum in Newark, New Jersey. The Consumer Counsel currently chairs the NASUCA Special Committee on Distributed Energy Resources and is part of a Department of Energy taskforce on industrial energy efficiency that is preparing a report to Congress. More information on NASUCA is available at: www.nasuca.org.

Information Reported as Required by State Statute

The OCC has complied with all state requirements regarding affirmative action and equal opportunity, most particularly Conn. Gen. Stat. §§46a-70 through 46a-78, and is in compliance with all federal requirements.