

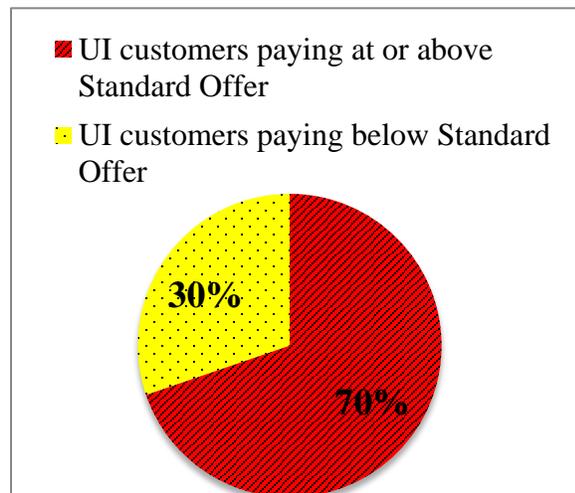
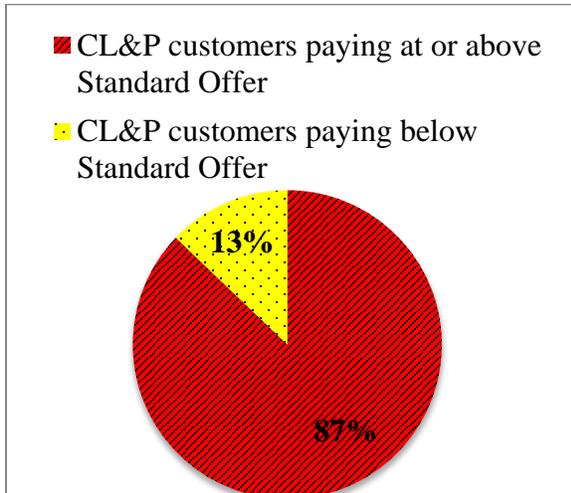


March 12, 2014

FACT SHEET: ELECTRIC SUPPLIER MARKET

The following is a summary of [testimony](#) submitted by the Office of Consumer Counsel (“OCC”) in the Public Utilities Regulatory Authority’s (“PURA”) current proceeding regarding the establishment of rules for the electric supplier retail market, Docket No. 13-07-18.

- Retail suppliers serve 42% of CL&P and UI residential customers.
- Based on data from September, 2013, almost **nine out of ten** supplier customers paid more than the Standard Offer in CL&P territory. Based on data from December 2013/January 2014, **seven out of ten** supplier customers paid more than the Standard Offer in UI territory.

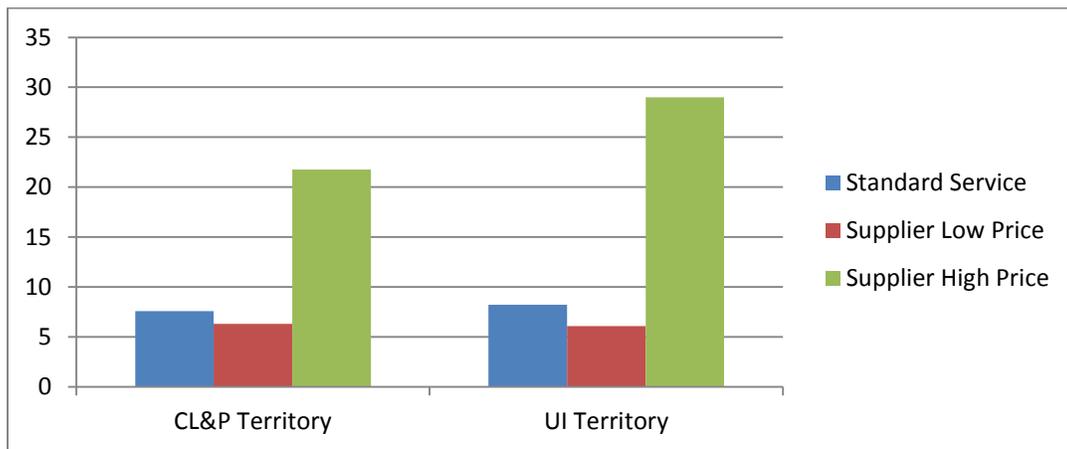


- In the month of September 2013, CL&P customers who chose suppliers paid in aggregate **\$10.75 million more** than the Standard Offer for their electric generation *for that one month*.¹
- For one 30-day billing cycle from December 2013-January 2014, UI customers who

^{1,2}These calculations of the consumer harm from overpriced electricity are an underestimate, because they assume all non-electric heat customers. Were the additional usage by heating customers factored into this calculation, the estimated consumer harm would be even greater. Moreover, the CL&P-territory data was from September, before many of the extreme winter price spikes complained of by many consumers.

chose suppliers paid in aggregate **\$2.96 million more**, *again just during that month.*²

- In CL&P's territory, the lowest price available from a supplier in September 2013 was 6.3 cents/kwh, while the highest price identified was 21.8 cents/kwh. Therefore, a residential customer could pay up to 14.2 cents over the Standard Offer, but potentially save no more than 1.3 cents below the Standard Offer.³
- In UI's region, the lowest price available from a supplier during a 30-day billing cycle in December 2013/January 2014 was 6.1 cents/kWh, while the highest price identified was 29 cents/kWh. Therefore, a residential customer could pay up to 20.7 cents over the Standard Offer, but potentially save no more than 2.1 cents below the Standard Offer.



- Consumers have filed record numbers of complaints in 2013 about slamming, purportedly fixed rates unexpectedly becoming variable, phone harassment, misleading representations by sales representatives, and failing to provide adequately staffed customer service support lines, thereby thwarting consumers' cancellation efforts.
- Seniors, ESL consumers, and "hardship" customers are among those whose well-being and pocketbooks are affected by high prices and aggressive marketing practices of many suppliers. Certain suppliers serve a disproportionate share of these potentially vulnerable customers.
- As evidenced by the quantity and types of complaints that consumers are making to PURA, and by the high prices that households pay for electricity, the supplier market is creating more harm than benefit, and warrants serious reform.

³ Ten customers were dropped from both the high end and low end of the prices customers pay to eliminate any extreme outliers. Again, these CL&P-territory supplier prices are based on September 2013 data and do not reflect any winter price spikes.