

# PURA 2023 ANNUAL REPORT EXECUTIVE SUMMARY

## OVERVIEW

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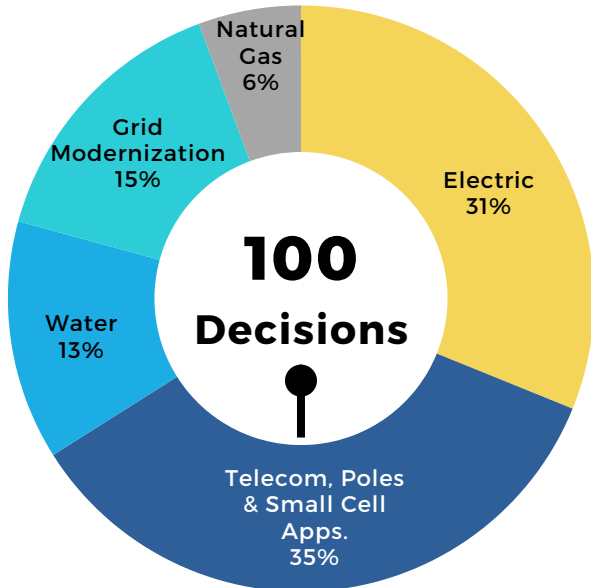
Since 2011, the responsibilities of the Connecticut Public Utilities Regulatory Authority (Authority or PURA) have evolved. In addition to its statutory mission to ensure that Connecticut's investor-owned electric, natural gas, and water utilities provide safe, clean, reliable, and affordable service, PURA also now oversees programs, policies, and tariff designs that advance the state's energy, economic, and climate goals. Given the growing importance of enhancing utility service and realizing the state's climate goals, transparent communications and accessible stakeholder resources have increasingly become a necessity.

As a result, the Authority recently established a program to provide compensation to underrepresented groups to participate in PURA processes. PURA also offers a number of public resources available to stakeholders through the release of its [Quarterly Newsletters](#), [rate case video series](#), [live-streamed events](#), [PURA 101 Workshops](#), and this report ([Annual Report or Report](#)). Each of these resources are important tools for increasing stakeholder engagement with and awareness of ongoing and future proceedings before the Authority. As a quasi-judicial agency, PURA can only make decisions based on the record evidence placed before it. The Authority's decisions, therefore, are made more robust with increased awareness and participation from diverse stakeholders.

The Annual Report provides a summary of the work completed by the Authority in 2023. In particular, the Annual Report provides both quantitative metrics on the Authority's work this past year, as well as abridged versions of key decisions across all of the industries regulated by PURA. Key information and developments from each section of this 2023 PURA Annual Report are summarized below.

# 2023 BY THE NUMBERS

Metrics and data tracking are essential tools to understanding trends and progress. The below are key quantitative statistics related to PURA's work product and other activities in 2023, included to help stakeholders better understand PURA's roles & responsibilities.



**100  
Decisions**



## Stakeholder Engagement Efforts

- 38 opportunities for written comments
- 39 Technical Meetings
- 55 Hearings
- 5 Public Comment Hearings
- 20 PURA 101 [Workshops](#)
- 16,969 customer complaints addressed

**72**

Total Staff

## Issued \$15.7M in Fines

### Contains:

- 96 Final Decisions
- 2 Interim Decisions
- 1 Supplemental Decision
- 1 Declaratory Rulings

**+362**

Additional Licensing, Certification, and Submetering Application Decisions

**Over 2,000**

Total pages of analysis across decisions

**545 | 409**

Dockets Opened | Dockets Closed

**1,110**

Motion Rulings

### Includes:

**\$1.915M** in Restitution  
+  
**\$1M** in Compliance  
+  
**\$1.48M** In payments to Operation Fuel

**\$52.5k**  
EDCs

**\$199k**  
Call Before You Dig

**\$1.175M**  
Pipeline Safety

**\$2.777M**  
Electric Suppliers

# Rate Cases

One of the Authority’s core functions is regulating the distribution rates of Connecticut’s investor-owned electric, natural gas, and water utility companies. The rate amendment proceedings through which distribution rates are reviewed is the primary tool to ensure that the resulting rates are just, necessary, and reasonable. They are also the best tool regulators have to ensure utility costs are contained from a long-term perspective and that the utilities are being managed with efficiency and care. In 2023, the Authority completed two rate cases; one for the Aquarion Water Company and the other for The United Illuminating Company. The Authority also currently has two active rate cases before it that launched in 2023; one for the two Avangrid Gas Companies and the other for the Connecticut Water Company.

[Learn More about Rate Cases](#)

## Major Decisions & Dockets

Completed Rate Cases	<a href="#">Docket No. 22-07-01 - Aquarion Water Company</a>	<ul style="list-style-type: none"> <li>• 207,000 customers affected</li> <li>• Requested Revenue Requirement: \$236 million annually</li> <li>• Requested ROE: 10.35%</li> <li>• Approved Revenue Requirement: \$196 million annually</li> <li>• Approved ROE: 8.70%</li> </ul>
	<a href="#">Docket No. 22-08-08 - United Illuminating Company</a>	<ul style="list-style-type: none"> <li>• 341,000 customers affected</li> <li>• Requested Revenue Requirement Increase: \$332 million over three years</li> <li>• Requested Year 1 Revenue Requirement: \$460 million</li> <li>• Requested ROE: 10.20%</li> <li>• Approved Revenue Requirement: \$385 million annually (i.e., the multi-year rate request was denied)</li> <li>• Approved ROE: 9.1% with a 0.47% conditional reduction</li> </ul>
Active Rate Cases	<a href="#">Docket No. 23-08-32 Connecticut Water Company</a>	<ul style="list-style-type: none"> <li>• 107,000 customers affected</li> <li>• Deadline for Completion: 6/29/24</li> <li>• Three public comment hearings held</li> <li>• 7 days of evidentiary hearings</li> </ul>
	<a href="#">Docket No. 23-11-02 Avangrid Gas Companies</a>	<ul style="list-style-type: none"> <li>• 394,000 total customers affected</li> <li>• Deadline for Completion: 10/18/24</li> <li>• Three public comment hearings held</li> <li>• Evidentiary hearings scheduled for 4/22/24-5/10/24</li> </ul>

# Performance-Based Regulation

At both the national and state levels, the scope of utility regulation continues to evolve toward supporting the cost-effective achievement of certain public policy goals. States across the country are implementing policies and programs to reduce greenhouse gas emissions and to modernize electric distribution systems. In recognition of these trends, the General Assembly enacted Public Act 20-5, An Act Concerning Emergency Response by Electric Distribution Companies, The Regulation of Other Public Utilities and Nexus Provisions for Certain Disaster-Related or Emergency-Related Work Performed in The State (Take Back our Grid Act) in 2020. This landmark bipartisan legislation required PURA to, among other things, initiate a proceeding to research and consider financial, performance-based incentives, penalties, and metrics to use in regulating the EDCs (Performance-Based Regulation or PBR).

In 2023, PURA made significant progress on this directive by issuing a [Decision on April 26, 2023](#), in Docket No. 21-05-15, PURA Investigation into a Performance-Based Regulation Framework for the Electric Distribution Companies. This decision was based on more than a year of robust stakeholder engagement and establishes regulatory goals and priority outcomes of electric utility regulation in Connecticut, and functions as the cornerstone of the state’s future PBR Framework. Additionally, this decision launched the next phase

of PBR development by initiating three reopener dockets that will each investigate a distinct regulatory mechanism that can be used to implement PBR. The Authority has been actively engaging with stakeholders in each of these reopener dockets, listed below, throughout 2023, and will continue to do so in 2024.

- [Docket No. 21-05-15RE01](#): Revenue Adjustment Mechanisms
- [Docket No. 21-05-15RE02](#): Performance Mechanisms
- [Docket No. 21-05-15RE03](#): Integrated Distribution System Planning

It is the Authority's intent that, upon completion of these reopeners, the EDCs' financial incentives and revenue mechanisms will more accurately reflect their performance in achieving financial and public policy outcomes that provide a public benefit to ratepayers, and Connecticut as a whole.

## Grid Modernization

Since October 2019, PURA has been actively pursuing the modernization of Connecticut's electric grid, initiating eleven investigations into different components of an [Equitable Modern Grid \(EMG\)](#). As of the end of 2023, PURA has issued decisions or final reports in all eleven of the original reopener dockets and has actively been implementing the multiple resulting programs, rate designs, and policies that will help further the four overarching EMG goals.

In 2023, the Authority issued decisions designed to advance affordability, enable the continued decarbonization of Connecticut's electric supply, support enhanced resilience and reliability of the grid, and grow the state's green economy. Specific major developments include reformed distributed energy resource (DER) interconnection cost allocation policies, a framework for the cost-effective deployment of statewide advanced metering infrastructure (AMI), and the selection of the first portfolio of innovative energy technology pilot projects through the Innovative Energy Solutions (IES) Program. Additionally, the Authority's annual Arrearage Forgiveness Program (AFP) review decision implements changes to ensure streamlined enrollment and maximum affordability benefits for customers participating in advance of the launch of the Low-Income Discount Rate (LIDR), which occurred on January 1, 2024.

All of PURA's annual clean energy program review decisions and updates are captured in the 2023 Clean and Renewable Energy Report produced in Docket No. 23-08-01, attached as Appendix 3 to this Report.

### Major Decisions

[Docket No. 23-05-01](#)

Evaluates the EDCs' and LDCs' AFP performance and implements necessary program modifications.

[Docket No. 17-12-03 RE10](#)

Issues a report on the EDC's Standard Service procurement process in accordance with Section 16 of Public Act 23-102.

[Docket No. 22-06-29](#)

Establishes reformed interconnection cost allocation policies for residential DERs.

[Docket No. 23-08-09](#)

Issues a report on the EDCs' reliability data, including, for the first time, expanded customer-focused reliability metrics implemented by PURA's previous decision in Docket No. 17-12-03RE08.

[Docket No. 22-06-05](#)

Approves front-of-the-meter energy storage system projects owned by UI that will help demonstrate the resilience and reliability benefits of such resources in accordance with Public Act 22-55.

[Docket No. 17-12-03 RE02](#)

Establishes a regulatory roadmap for the statewide deployment of AMI that will both protect ratepayers, and advance the economic, energy, and environmental policy goals of Connecticut.

[Docket No. 22-08-07](#)

Approves the first portfolio of innovative energy technology pilot projects that support Grid Flexibility for deployment beginning in 2024.

## Electric Sector

The Electric Sector is the largest industry regulated by PURA with over \$2.88 billion annually in distribution revenue under the Authority's jurisdiction. Though PURA only regulates two electric distribution companies, Eversource and United Illuminating, together they serve more than 1.5 million customers, representing over 90% of the state's electric ratepayers. Given the scale of this sector, transparent and efficient regulatory mechanisms that ensure safe, affordable, and reliable electric service are essential. In 2023, PURA completed investigations into safety and accident response procedures, issued annual rate adjustment decisions, and continued to lead emergency planning and preparation with Connecticut's utilities.

### Major Decisions

- [Docket No. 23-01-03](#) Eversource's 2023 rate adjustments for expenses incurred in 2022.
- [Docket No. 23-01-04](#) United Illuminating's 2023 rate adjustments for expenses incurred in 2022.
- [Docket No. 23-01-32](#) Investigation into Eversource's manner of operation and safety regarding its underground electric distribution system.
- [Docket No. 23-01-39 & 23-01-39RE01](#) Investigation into Eversource's response to a motor vehicle accident in Norfolk, CT in January 2023, and a determination of civil penalties.

## Natural Gas Sector

In addition to its rate-making and economic regulatory functions pertaining to the state's natural gas distribution companies, the Authority also oversees the safety of all in-state natural gas pipelines. Specifically, the Authority facilitates a gas pipeline inspection program to ensure compliance with state and federal safety standards and regulations, and the Call Before You Dig (CBYD) program to prevent accidental damage to pipelines.

In 2023, consistent with its ongoing commitment to ensuring safety of the gas pipeline system, PURA initiated a docket to modernize Connecticut's gas pipeline safety regulations, which had not previously been revised since the 1960s. There have been significant changes in the gas industry since that time, including the materials and equipment used, and the processes for installing and maintaining gas distribution systems. Additionally, there is now increased prioritization on the enhanced public safety and reduced environmental impact of gas distribution systems.

The Authority's proposed regulations will, among other things, strengthen the qualification and training requirements for pipeline operators, and codify enhanced leakage reduction procedures. These regulations will be considered final after review and approval by the Office of the Attorney General and will be subsequently transmitted to the Legislative Regulation Review Committee (LRRC). Upon approval by the Office of the Attorney General and the LRRC, these updated regulations will take effect to the benefit of public safety, employee safety, and the environment.

- **484 Pipeline Safety Inspection Person-Days**
- **528 CBYD Inspections**
- **80 Violations Found**
- **\$1.4 M Civil Penalties Issued**

### Major Decisions

- [Docket No. 23-07-21](#) Issues final proposed regulations updating Connecticut's gas pipeline safety regulations for the first time since the 1960s.
- [Docket No. 23-03-02](#) PURA's report to the General Assembly regarding lost and unaccounted for (LAUF) gas in 2022.

# Water Sector

Connecticut’s water resources are overseen and protected through interagency coordination between PURA, DEEP, and DPH. The Authority’s specific role is to ensure that water rate designs encourage conservation and responsible water use. In addition to rate design, ensuring that the state’s aging drinking water infrastructure is modernized is essential to efficient water use. The regulatory tools PURA uses to accomplish this include the Water Infrastructure Conservation Adjustment (WICA) surcharge, which enables water companies to accelerate necessary upgrades in advance of a rate case. The Authority issued six WICA decisions in 2023.

Additionally, the Authority approved the acquisition of New Hartford’s Water Systems, consistent with an ongoing statewide trend of smaller water systems being incorporated into larger, investor-owned utilities with the objective of system improvements by these larger companies.

## Major Decisions

- [Docket No. 20-12-30WI04](#) Connecticut Water Company WICA reconciliation finding overcollection.
- [Docket No. 20-12-30WI05](#) Connecticut Water Company WICA reconciliation approving a rate surcharge.
- [Docket No. 20-12-30WI06](#) Connecticut Water Company WICA reconciliation approving projects as WICA-eligible.
- [Docket No. 12-07-07WI19](#) Hazardville Water Company WICA reconciliation approving a rate surcharge.
- [Docket No. 20-10-31WI01](#) Jewett City Water Company WICA reconciliation approving a rate surcharge.
- [Docket No. 10-05-01WI26](#) Torrington Water Company WICA reconciliation approving projects as WICA-eligible and a rate surcharge.
- [Docket No. 22-09-18](#) PURA’s approval of Aquarion’s acquisition of New Hartford’s Water System.

# Telecomm & Utility Poles

With the backdrop of rapid and ongoing advances in communications technology, PURA is responsible for promoting a competitive telecommunications market by regulating the public rights-of-way and utility pole attachments, which support a significant amount of the state’s telecommunications infrastructure. In 2023, this included advancing policies to promote the deployment of both above- and below-ground broadband deployment in support the state’s goal of providing highspeed internet service across all Connecticut communities.

PURA also continues to prioritize the removal of “double poles” throughout the state that result from inefficient maintenance and replacement procedures and create safety hazards and aesthetic issues. Specifically, PURA has monitored the success of a pilot program, established in 2022 and implemented in 2023, testing a “single visit transfer” process to eliminate double poles in six communities throughout the state.

In addition to supporting the deployment of broadband and ensuring the structural safety of the poles throughout the state, the Authority also plays a significant role in reviewing and approving funding for important public services each year, including state-directed technology education

## Major Decisions

- [Docket No. 21-12-21 & 23-02-03](#) Establishes the formal application and approval process for conduit excavations in the public rights-of-way by telecomm. and broadband providers, and the review and approval of 2023 applications.
- [Docket No. 22-10-02](#) Review and approval of annual PEGPETIA grant applications.
- [Docket No. 23-01-05](#) Annual assessment to fund the development and administration of the Enhanced Emergency 911 Program.
- [Docket No. 23-01-06](#) Annual community access television support review.
- [Docket No. 22-06-26](#) PURA’s study of the operations of certified third-party nonprofit community access programming providers.

# Office of Education, Enforcement & Outreach

PURA established the Office of Education, Outreach, and Enforcement (EOE) in July of 2020. The key objective of EOE is to provide ratepayers and non-traditional stakeholders that interact with PURA an improved customer service experience. The "ex parte" communication prohibition that applies to PURA's decisional staff does not apply to staff assigned to EOE, meaning ratepayers and other parties may pose questions and concerns to EOE staff. In this capacity, EOE supported eight PURA 101 offerings in 2023. Importantly, however, EOE staff are not able to discuss pending substantive matters with PURA's decisional staff and commissioners, nor are EOE staff permitted to speak on behalf of the Authority.

EOE also mediates disputes concerning matters related to regulated companies whenever possible or appropriate, enforces applicable regulations and statutes in matters delegated to EOE, and independently investigates issues related to PURA-regulated or licensed entities as directed or delegated. Moreover, EOE also operates a call center that receives and responds to customer complaints. Consistent with the objectives of the Authority, EOE has dedicated significant focus to vulnerable and low-income customers (hardship) in this capacity in recent years.

EOE also supports PURA's role in dozens of state-mandated working groups and subgroups, including facilitating several working groups, including the Vegetation Management Standing Working Group, several Distributed Generation Working Groups, and the Pole Attachment Working Group.

## Licensing & Certification Unit

- 17,614 Class I Renewable Energy Certifications
- 16 submetering applications
- 59 rights-of-way applications

## Mediation & Enforcement Unit

- 2 electric supplier enforcement actions
- 3 settlements
- Ongoing support of 2 active rate cases and 2 completed rate cases

## Education & Outreach Unit

- 16,969 customer complaints and inquiries addressed
- \$164,000+ returned to customers following complaint resolution

## Working Group Administration

- Wage Garnishment Working Group
- Distributed Generation Working Groups
- Pole Attachment Working Group
- Vegetation Management Working Group
- Represented PURA in dozens of state-mandated working groups (e.g. Water Planning Advisory Group)

## Additional PURA Resources

- [Read the Full Annual Report](#)
- [Subscribe to PURA's Quarterly Newsletter](#)
- [Review CT Clean Energy Programs](#)
- [Energy Affordability and Hardship Protection Programs](#)
- [How to Participate in PURA Dockets](#)
- [Contact PURA](#)
- [View Upcoming Events](#)