Fiscal Year 2018-2019

At a Glance

Office of Consumer Counsel
RICHARD E. SOBOLEWSKI, *Interim Consumer Counsel*
***Established* - 1975**
***Statutory authority* - Connecticut General Statute §16-2a**
***Central office* - Ten Franklin Square, New Britain, CT 06051**
***Number of employees* - 11**
***Recurring operating expenses* - $2,513,283**
***Organizational structure* – Independent office. Department of Energy and Environmental Protection 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 relating to public service companies, electric suppliers, and certified telecommunications providers;

- Participating in any regulatory or judicial proceedings, federal or state, that involve the interests of Connecticut utility ratepayers, or matters affecting utility services provided in Connecticut;

- Representing utility ratepayers as a party to each contested docket before the Public Utilities Regulatory Authority ("PURA");

- Appealing decisions, orders, or authorizations in any state regulatory proceeding impacting utility ratepayers;

- Addressing issues involving rate increases and ratepayer-funded programs, as well as matters concerning the reliability, maintenance, operations, infrastructure, and quality of service of utility companies, suppliers and providers; and

- Working actively with the Connecticut General Assembly, including the Energy and Technology Committee, in developing utility-related legislation in the best interests of consumers.

In addition to these statutory responsibilities, as of July 1, 2015, the Office of State Broadband ("SBO") was established within OCC by the General Assembly. SBO is responsible for facilitating the availability of broadband access to every state citizen and increasing access to and adoption of high-speed broadband internet access networks in Connecticut. This is further discussed below.

Improvements/Achievements Fiscal Year 2018 – 2019

In Fiscal Year 2018-2019, OCC continued to operate as a fully independent state agency committed to effectively carrying out its statutory mandate. Despite operating with its lowest level of staff in decades, the office continues to work diligently to fulfill its mission. This Report covers July 2018 - July 2019. Note that Consumer Counsel Elin Swanson Katz resigned as of July 5, 2019. OCC Director of Technical Analysis Richard Sobolewski was appointed Interim Consumer Counsel as of that date.

OCC's specific achievements this Fiscal Year include:

- **Savings to Consumers**: OCC achieved over $425 million dollars in direct savings to Connecticut ratepayers in the 2018-2019 Fiscal Year through OCC's advocacy (along with other allies and stakeholders, including fellow state agencies) in dockets before PURA, court decisions, and advocacy in matters before the Federal Energy Regulatory Commission ("FERC"), including the following:

a. $171 million in annual savings from the Eversource rate case settlement;
b. $6 million in ratepayer benefits for Southern Connecticut Gas Company customers for the first year of the rate plan approved in rate case settlement;
c. $48 million in ratepayer benefits for Yankee Gas Company customers for the first year of the rate plan approved in rate case settlement;
d. $7 million in ratepayer benefits for Connecticut Natural Gas Corporation customers for the first year of the rate plan approved in rate case settlement;
e. Continued rate freeze for Aquarion Water Company customers;
f. Customer bill savings of approximately $12 million for Connecticut Water Company customers due to a Settlement that extended a base rate freeze;
g. $93 million in savings from the United Illuminating("UI") rate case for the three-year Rate Plan (2017-2019); and
h. Negotiated rate freezes and overearning settlements with smaller water companies.

- **Advocacy in PURA Dockets:** OCC was a party in over 500 dockets during Fiscal Year 2018-2019 that were opened or re-opened by PURA. Some key dockets include:

  a. In Docket No. 18-05-10, OCC, along with PURA's Prosecutorial Staff, entered into a Settlement Agreement with Yankee Gas Services Company (Yankee Gas) regarding Yankee Gas's Application to PURA to increase its existing distribution rates in a three-year rate plan. PURA approved this Revenue Requirements Settlement Agreement on December 12, 2018. The Settlement Agreement achieved an overall reduction of $56.2 million from Yankee Gas' requested three-year rate plan, including an over 97% reduction to Eversource's rate year one request, while still enabling Yankee to continue to provide safe and reliable service to its customers. The Settlement Agreement includes reductions to rate base, operations and maintenance expense, depreciation and amortizations, return on equity, and uncollectibles expense. The Settlement Agreement also returns 100% of savings resulting from the recent federal tax law change to Yankee Gas customers.

  b. In Docket No. 18-06-16, the OCC and Prosecutorial Staff of PURA entered into a Settlement Agreement with the Connecticut Natural

Gas Corporation ("CNG") regarding CNG's Application to PURA to increase its existing distribution rates in a three-year rate plan. PURA approved this Revenue Requirements Settlement Agreement on December 19, 2018. The Settlement Agreement reduced the first year rate increase by $6 million and by over $27 million over the three-year rate plan. Approved in the Settlement, CNG will implement an Apprentice Helper Resource Plan and a $1.5 million annual hardship grant program, beginning in 2020, which will, along with existing programs, assist customers with economic hardships in getting back on track after an arrearage develops.

c. In Docket No. 06-12-07-RE07, PURA assessed a civil penalty of $1,500,000.00 against Liberty Power Holdings, LLC for failure to conduct its marketing and sales in accord with relevant consumer protection law. In this docket, OCC advocated for PURA's finding of numerous violations of law and an appropriate civil penalty, both of which protect electric consumers and deter other electric suppliers from pursuing unscrupulous and illegal business practices. To date, the civil penalty in this docket is the highest that PURA has levied against an electric supplier.

d. In Docket No. 13-07-17, PURA assessed a civil penalty of $1,500,000.00 against Direct Energy for its failure conduct its marketing and sales outreach in accord with relevant consumer protection statutes. OCC advocated for PURA finding numerous violations of law and argued in favor of an appropriate civil penalty. Along with the aforementioned Docket No. 06-12-07RE07, the civil penalty in this docket is currently the highest that PURA has assessed against an electric supplier for marketing tactics that harm electric consumers.

e. In Docket No. 10-06-18RE02, PURA assessed a civil penalty in the amount of $750,000.00 against Spark Energy, LLC for its role in a deceptive telesales campaign and its failure to directly train its sales agents pursuant to Connecticut law. In this docket, OCC argued for PURA finding multiple violations of law and assessing an appropriate civil penalty, both of which vindicate the interests of electric consumers who received deceptive communications such as those documented in this proceeding.

f. In Docket No. 17-10-46RE02, PURA authorized additional funding to CL&P pursuant to the settlement agreement resolving its latest rate case to conduct additional Enhanced Tree Trimming and Tree Removal operations throughout its service territory. OCC participated in this

docket to ensure that the request for additional funding was consistent with the settlement agreement in Docket No. 17-10-46 and in furtherance of electric ratepayer interests. Due to recent drought conditions and the infestation of invasive insect species, the number of dead and dying trees that must be removed in order to safeguard the reliability of the electric distribution system has been far greater than anticipated.

g. In Docket No. 18-06-02, PURA is reviewing the feasibility, costs, and benefits of transferring to electric distribution company standard service all electric hardship customers. OCC's detailed petition to PURA spurred the opening of this important docket. In its Direct Testimony in this proceeding, OCC's consultant concluded, based on actual electric bills rendered, that from 2016 to 2018, hardship customers taking electric supply from a third-party supplier paid $7.2 million more for an essential service than they would have on standard service over the same period. OCC's testimony demonstrated additional, ongoing financial harm to hardship customers using electric suppliers. A PURA decision in this important docket is expected later this year.

h. In Docket No. 14-07-19RE05, PURA examined compliance with the legal requirement for Eversource and UI residential electric bills to list the "next cycle rate" of a customer's third-party generation supplier on the front page of the bill. The goal of the statute is to give customers advance notice of a generation rate change, and, for example, avoid an upcoming price spike by switching suppliers or reverting to utility standard service for generation before the new rate goes into effect. PURA identified instances where the "next cycle rate" listed on the bill does not match the actual rate charged, as well as many other instances where the relevant information is not provided by the third-party suppliers to Eversource or UI, and also found that utilities retain only very limited records regarding compliance with the "next cycle rate" provision. OCC sought what it views as a common sense improvement -- that utility systems require that the "next cycle rate" be filed by the third-party supplier in time for printing of the utility bill, or else the third-party electric supplier does not get to change the rate for the next cycle. Prior PURA decisions left too much system flexibility that has been detrimental to customers and has not provided them what the Connecticut Legislature recognized is a key piece of rate information, the next cycle rate. In a December 19, 2018 ruling, PURA agreed with OCC's positions and concluded that it is the legal responsibility of retail electric suppliers licensed in the state of Connecticut to ensure compliance with Conn. Gen. Stat. §16-245d(a)(2)

by providing timely and accurate information to the electric distribution companies (EDCs) for inclusion on residential customer bills. To implement progress in this area, PURA required that the utility data processing systems of Eversource and UI must be redesigned at the expense of retail suppliers, also as sought by OCC. The system redesign is still in progress as of the date of this report.

i. In Docket No. 18-12-22, PURA initiated a proceeding to explore granting amnesty from civil penalties to those electric suppliers offering refunds to their customers that have been overcharged due to next cycle rate billing errors investigated in Docket No. 14-07-19RE05. OCC advocated that suppliers seeking amnesty should be required to refund all customers, past and present, the full amount that they were overcharged, an approach that PURA pursued via Interim Draft Decision. Multiple suppliers have submitted amnesty plans to PURA, which are in the process of being audited. To date, two suppliers have had their plans approved and issued refunds to consumers. OCC continues its participation in this important docket.

j. In Docket No. 19-02-13, PURA investigated the alleged practice of certain electric suppliers altering the price terms in fixed-price contracts with commercial and industrial consumers, which suppliers attributed to changes in regional market rules. OCC advocated that the practice of changing pricing terms in a contract without express consumer consent was a violation of Connecticut law and that the change in law provisions in the relevant contracts failed to provide adequate notice to consumers. Ultimately, PURA referred this matter to the Attorney General and Department of Consumer Protection for additional investigation.

k. In Docket No. 19-01-32, OCC represented natural gas ratepayers in the first ever petition for an industrial customer to take gas service under the newly created MFG rate class. Throughout the proceeding, OCC argued that any rate relief authorized under rate MFG should be prospective so as to protect the general class of natural gas ratepayers from retroactive charges. In its Draft Decision, PURA adopted OCC's position and a Final Decision is expected shortly.

l. In Docket No. 17-10-31, PURA investigated a claim by the Conservation Law Foundation ("CLF") that the natural gas utilities, also known as Local Distribution Companies or "LDCs," were mishandling their gas pipeline contracts and assets and creating artificial shortages. The LDCs make contractual arrangements with interstate pipelines as part of a portfolio of resources (along with

locally stored liquefied natural gas) to meet customer's peak needs for heating fuel in the winter. OCC investigated these CLF claims through highly-experienced consultants hired for this proceeding and found the CLF claims to have no merit, and advanced that position to PURA. OCC determined that our LDCs are responsibly managing their contracts and assets to meet the needs of customers. PURA's December 12, 2018 Final Decision agreed with OCC's stance and rejected the CLF claim.

m. In Docket No. 11-03-07RE01, relating to the standards for utility pole administration by the electric distribution companies as Single Pole Administrator in their respective territories, OCC continued to lead the advocacy before PURA to develop a statewide utility pole and conduit management process to streamline access by competitors and new advanced technology providers in an equitable platform to help make Connecticut competitive among the states in terms of broadband access and speed. For this period, the process of overlashing (applying new wires over existing strands or cables) was litigated before PURA. OCC was pleased that PURA adopted OCC's idea and proposal and ordered the development of statewide pole and attachments database called the Connecticut Utility Pole Database. The docket's working group will once again dig in on the database issue with OCC as a lead participant. In the meantime, Frontier has filed an appeal of PURA's ruling with the Superior Court and OCC has intervened on the side of PURA.

n. Docket No. 17-09-37, Municipal Gain Declaratory Ruling, dealt with a petition to determine the scope of the statutory rights granted to all 169 municipalities by the state General Assembly (since 1905) to affordable access to a designated location, called the "municipal gain" on all utility poles and in telecom conduit. The focus is on whether municipalities can seek to serve their citizens, including some who today do not have any broadband access or can only access the internet at very slow speeds, with high-speed broadband services through the municipal gain. PURA ruled, over OCC's objection, that under the statute, municipalities may not provide broadband to the general public. This docket is the third in as many years to attempt to clarify the parameters of this statute, and OCC along with a municipalities association and several municipalities have initiated an administrative appeal of the PURA final decision. Oral argument occurred before the Superior Court on August 14, 2019.

o. In Docket No. 17-02-49, Small Cell jurisdiction and notice to adjoining property owners, the OCC successfully detailed the separate authority

of the FCC, PURA, and the CT Siting Council with reference to various new types of cellular infrastructure and services, thereby reducing the number of state superior court challenges that have been opened. This issue has national significance at Congress and the FCC since it has direct impact on the implementation of 5G cellular service, the proposed future wireless technology to be developed in the next few years.

p. In Docket No. 18-05-04, OCC has worked with DEEP and other state parties on the procurement and development of a contract with the Millstone Nuclear Power Station in Waterford, Connecticut ("Millstone") owned by Dominion. The contract will result in a major energy purchase by Connecticut electric customers from Millstone that is expected to preserve Millstone in operation for at least ten years and yield an estimated net $2 billion in customer benefits, plus reliability and environmental benefits, by avoiding a premature retirement of Millstone. The proposed contract with Dominion for Millstone is presently before PURA for approval in this case.

q. In Docket No. 18-11-12, The OCC raised questions and concerns that led, in part, to the Company's reduced cost recovery request. Overall, PURA's Final Decision ("Decision") reduced the Company's proposed incremental storm costs by about $4.538 million, which allows the Company to recover approximately $141 million, over six years, from ratepayers beginning on May 1, 2019. On an annual basis, that will impact bills but at levels below a 1% overall bill increase. Additionally, OCC made recommendations to PURA for several storm cost adjustments including but not limited to the disallowance of Emergency Response Plan ("ERP") Award Payments. ERP payments are made by Eversource to salaried company personnel for extraordinary performance levels during the storm. OCC does not deny that both customers and the Company benefit from high-quality storm service, but argued that the ERP Award levels authorized by Company management were discretionary and arbitrary, as they were not closely based on any discernible criteria such as hours worked or goals reached and it is unclear whether ERP awards may duplicate the existing incentive compensation plan. OCC therefore recommended disallowance of ratepayer recovery. Additionally, OCC recommended that the Company develop cost control standards specifically related to storm costs, similar to those identified in findings to prior post storm audits. The Company stated it should be allowed to recover the approximately $1,750,000 ERP Award payments in rates in order to continue to motivate salaried employees to continue to make extraordinary efforts during storm restorations. In its Decision, despite

OCC's objection, PURA allowed CL&P to recover in rates the entire cost of the ERP Awards paid to salaried employees, but did require that Eversource work with OCC to improve the criteria for allowing ERP Award payments so that the awards will be based more on objective criteria and measures. CL&P filed a revised Policy after working with the OCC to develop that contains revised metrics the Company will utilize in the future to determine if and when non-officer, salaried employees who work substantial unpaid overtime during major storm events may be eligible to receive a one-time storm payment. The Policy now contains objective criteria Company management will utilize in the future to determine if and when one-time storm payments will be authorized.

- **Legislative Advocacy**: The Office of Consumer Counsel actively participated in the 2019 legislative session, testifying on numerous utility and telecommunications measures.

  a. In the telecommunications area, OCC joined with other consumer advocacy organizations to successfully advocate against the passage of SB-330, concerning the regulation of voice service providers, specifically proposed by the two local exchange carriers in Connecticut for virtual deregulation of their retail voice services, which would cut out OCC's advocacy and PURA's regulatory authority and would have eliminated protections for certain telephone consumers.

  b. OCC joined with many state and national consumer advocacy organizations to unsuccessfully support passage of Committee Bill-2 concerning internet service providers and net neutrality principles, which got swept up in national fervor by incumbent telecom providers opposing safeguards for the consumer protection principles of net neutrality by preventing internet service providers from abusing their gatekeeper role to block or interfere with the ability of users to access the content of their choosing.

  c. OCC also successfully removed offensive sections of RB-5591 concerning municipal revenue which would have functioned as a tax on the electric and telecommunications consumers represented by OCC, place undue burdens on low-income and middle-income customers, and further dampen economic activity in this state by rendering our utility rates even less competitive, including for business customers.

d. Consumer Counsel Katz selected, and OCC provided guidance to, the new consumer advocates for the Municipal District Commission, which is the water utility for Hartford and the surrounding towns, and the Connecticut Municipal Electric Energy Cooperative, whose members are municipally-owned electric companies, mostly in Eastern Connecticut. These advocates are not part of OCC, but Consumer Counsel Katz has some oversight responsibilities. The legislation approving these positions passed in the 2017 session.

e. OCC supported House Bill 5343, which among other things would have given the right of PURA to order restitution. PURA at present can fine utilities or third-party electric suppliers for misdeeds, but cannot order restitution to customers (although PURA may approve settlements that offer restitution as a remedy). OCC maintained that it would be an important tool and customer protection, and also promote fairness, for PURA to have restitution authority, but the Bill did not pass the House until very late in the Session and the Senate did not have a chance to consider it. OCC hopes that this proposal will re-emerge in the upcoming session.

- **Department of Energy and Environmental Protection (DEEP), Bureau of Energy and Technology Policy (BETP) Advocacy, and Energy Procurement Activity**

  OCC continued work on collaborative energy procurements with DEEP, including large-scale and small-scale renewable energy developments as well as assisting in the development and selection process pursuant to Public Act 15-113, an act establishing a Shared Clean Energy Facility Pilot Program (SCEF). This pilot will deliver 6 MW of Shared Clean Energy to consumers in Eversource and United Illuminating territory. The objectives of the SCEF pilot program were expanding clean energy deployment, increasing access to clean energy for low-to moderate-income customers, optimizing the re-use of sites with limited alternative uses, all while supporting in state economic development and minimizing cost to electric ratepayers.

- **Federal Advocacy**: OCC continued to be involved in this fiscal year with numerous cases at FERC and in the federal courts. Of note:

  a. OCC continued to participate in the years-long litigation (FERC Docket #s EL13-33 EL14-86, and EL16-64) involving the investment returns earned by the high-voltage transmission lines by utilities in New England.

b. As to the "bigger picture," OCC is part of a coalition of New England state agencies that is seeking at FERC (Docket No. EL16-19) to ensure that the annual rate filings by transmission owning utilities (including Eversource and Avangrid/UI) will be understandable and subject to questioning in advance by government parties. The negotiations continued during this year before a FERC Settlement Judge, and a settlement signed by OCC and many other parties was forwarded to FERC for consideration. However, FERC rejected the settlement and the case has now been re-opened.

c. OCC is involved with its State of Connecticut agency allies in FERC Docket No. ER18-1639, which is considering whether the Mystic Power Plant in Massachusetts, which claims to be under-earning, should receive a cost-of-service arrangement to retain it and its nearby liquefied natural gas service in operation, and if so, how the compensation should be set. This proceeding has a genesis in the region's concerns about the sufficiency of electric and natural gas capacity in the wintertime, given that laws and court rulings in Massachusetts in particular have blocked proposals to build new and expanded interstate natural gas pipelines. Many important wholesale market and infrastructure adequacy issues are implicated in this proceeding.

- **Advocacy in Court Cases**: In Fiscal Year 2018-2019, OCC was a party in 4 Administrative Appeals to the Superior Court and 1 appeal to the Connecticut Appellate Court.

  a. Included in these cases was the OCC's involvement in *Liberty Power Holdings, LLC v. Public Utilities Regulatory Authority* ("*Liberty*"), a Superior Court appeal in which OCC represents electric ratepayer interests as an intervening defendant. In the *Liberty* appeal, OCC argued before the Superior Court that PURA correctly concluded in its Final Decision that the electric supplier Liberty Power Holdings, LLC violated General Statutes § 16-259a when it submitted back-billing rates to Eversource Energy (Eversource) without a payment plan for 294 commercial accounts, with 121 bills actually being generated and issued. OCC also argued that PURA, in the exercise of its broad discretion, appropriately assessed Liberty a civil penalty of $60,500 for its violations of General Statutes § 16-259a.

  b. Also included in these cases is *PMC Property Group, Inc. v. Public Utilities Regulatory Authority*, in which OCC supported PURA's ruling that a scheme for tenant billing for the electric usage of the heating and air conditioning system in an apartment building owned by PMC in New Haven constituted electric submetering. The Superior Court upheld this PURA ruling, and rejected the appeal by PMC, based on PURA's and OCC's

advocacy. PMC then appealed that Superior Court ruling to the Appellate Court. The Appellate Court's ruling went in favor of OCC and PURA, and customers are being provided refunds of over $130,000.

- **State, National and Regional Advocacy in Key Organizations, Committees, and Boards**

  The former Consumer Counsel Elin Katz and OCC staff serve on numerous state, regional, and federal boards and organizations. They also continue to be in great demand as speakers and participants at national conferences and meetings, regional panels, Connecticut organizations, and other forums. OCC's participation was extensive, but highlights include:

a. Former Consumer Counsel Katz was a statutory member of the Connecticut Energy Efficiency Board and the Commission for Education Technology, and the Water Planning Council Steering Committee, and served on the Water Planning Council Steering Committee, among other state boards.

b. Former Consumer Counsel Katz was President of the National Association of State Utility Consumer Advocates ("NASUCA"), an association of 55 consumer advocates in 43 states and the District of Columbia Barbados, Puerto Rico, and Jamaica. She was also NASUCA's representative on the Federal Communication Commission's Federal-State Joint Board on Universal Service. Former Consumer Counsel Katz also served as Connecticut Governor Dannel P. Malloy's designee on the FCC's Intergovernmental Advisory Commission. She was on the Advisory Committee for the Critical Consumer Issues Forum, a joint initiative of NARUC, NASUCA, and the Edison Electric Institute, and the Advisory Board of the Financial Research Institute within the Robert J. Trulaske, Sr. College of Business at the University of Missouri, which provides a neutral environment for stakeholders in the regulated public utility industry to come together to examine, understand, and debate current issues relating to public utility policy.

Former Consumer Counsel Katz was a popular and frequently-requested speaker on utility, advocacy, governance, and women's issues. Her speaking engagements during the 2019-1019 fiscal year include:

a. *Innovations in Public Utility Business Models & Financing for the 21st Century*, Financial Research Institute Symposium, Columbia, Missouri, September 25, 2018;

b. Regional *Grid Modernization Developments & the Future of Retail Choice,* Foley Hoag LLP, Boston, MA, October 12, 2018*;*

c. US Department of Energy Electricity Advosory Committee, Institutional Perspectives on Grid Resilience: A Regulator's, *Consumer Advocate's, Elected Official's, and Utility's Perspective, Washington, DC, October 17, 2018;*

d. Critical Consumer Issues Forum, Orlando, FL, November 10, 2018;

e. *NASUCA Mid-Year Meeting,* Orlando, Florida, November 11, 2018;

f. Customer Solutions Executive Advisory Committee, Washington, DC, November 29, 2018;*NEPOOL Participant Committee, Boston, Massachusetts, November 1, 2018;*

g. NASUCA, Washington, DC, December 17, 2018;

h. *Keystone Energy Board Meeting,* Denver, Colorado, February 6, 2019;

i. NARUC 2019 Winter Policy Summit; Washington, DC, February 10, 2019;

j. Gee Wall Street Dialog, New York City, NY, March 4, 2019;

k. CCIF Forum, Driving a Customer-Centric Energy Future, New Orleans, Louisiana, March 18, 2019;

l. George Washington Law University, Law School Transportation Electrification Conference, Washington, DC, April 2, 2019;

m. *Energy Bar Association Annual Conference,* Washington, DC, May 5, 2019; and

n. *Solving the Digital Divide in New England;* Boston, MA, June 14, 2019.

o. Principal Attorney Bill Vallee, state Broadband Policy Coordinator since 2008, retired as of 8/30/19, was a member of the NTIA State Broadband Leaders Network which is comprised of state broadband leaders from the 56 entities of the U.S. (50 states, 5 possessions and territories, and D.C.), seeking to develop and promote best practices to expand affordable broadband internet access.

p. Principal Attorney Bill Vallee, state Broadband Policy Coordinator since 2008, retired as of 8/30/19, represented the OCC/SBO as a board member and chair of the Audit Committee of the Connecticut Economic Resource Center (CERC), which works with public utility companies and other state agencies and private corporations to promote the economic well-being of Connecticut. After Attorney Vallee's retirement, Staff Economist John R. Viglione will continue representing OCC at CERC.

q. Principal Attorney Bill Vallee, state Broadband Policy Coordinator since 2008, retired as of 8/30/19, represented the OCC/SBO as a board member of the Commission on Educational Technology (CET), the governance board of the Connecticut Education Network and other fiber network infrastructure managed by the state; he is also a member of the CET Broadband Infrastructure subcommittee, which developed and published a Digital Equity Toolkit for use by municipalities, educational institutions, and libraries.

r. Principal Attorney Bill Vallee, state Broadband Policy Coordinator since 2008, retired as of 8/30/19, served as a board member of the Public Safety Broadband Working Group within the CT Department of Emergency Services and Public Protection (DESPP), which is tasked as liaison with the governor's office and the First Responder Network Authority (FirstNet), an independent authority within NTIA to provide emergency responders with the first nationwide, high-speed, broadband network dedicated to public safety. This year saw the board structure the governor's response on behalf of the state by joining the FirstNet program and negotiating a 30-year contract with AT&T for services.

r. OCC Associate Rate Specialist Taren O'Connor has continued in her role as Vice-Chairperson on the state's Low Income Energy Advisory Board ("LIEAB"), which helps in the planning, development and implementation of energy-assistance programs, and low-income weatherization programs and policies. The LIEAB worked to craft the Connecticut Energy Affordability Policy Initiative for Low-Income Households as well as the 2018/2019 LIEAB Recommendations. The Board specifically focused on how to best design and implement the Utility Companies' low-income programs to best assist customers and ultimately lessen the significant uncollectibles problem in Connecticut.

s. OCC Associate Rate Specialist Taren O'Connor has continued her role on the state's Energy Efficiency Board ("EEB") in 2018-2019, as the Board's Chairperson, serving as Consumer Counsel Katz's designee. The EEB serves Connecticut ratepayers through the programs it offers that act as a first line

of defense against high winter energy prices. The programs service residential consumers, businesses, government agencies, institutions such as schools and hospitals, and Connecticut communities, by educating consumers, offering financial incentives along with technical and installation assistance, and providing energy resources at lower costs. Ms. O'Connor also serves as the Chair of the EEB's Evaluation Committee and as a member of the Executive, Residential and Consultant Committees.

t. OCC Associate Rate Specialist Taren O'Connor began work on the national NASEO-NARUC Grid Interactive Efficient Buildings (GEB) Working Group, along with thirteen other states.

u. In addition to contributing to policy decisions on program design and allocation of resources, OCC worked to advise the 2019 Conservation and Load Management ("C&LM") Plan Update. OCC continued its advocacy for an appropriate funding level for both program evaluations and performance management incentives ("PMI") for the utility companies and for an independent and transparent evaluation process. With a focus on cost-effectiveness testing design, OCC is eager to participate in the design of the next three-year 2019-2021 C&LM Plan.

v. Joseph Rosenthal, a Principal Attorney for OCC, continued to be on the Coordinating Committee for the Consumer Liaison Group ("CLG"), a New England-wide entity which hosts public forums on a quarterly basis to consider significant topics affecting electricity consumers, with a particular focus on high-use commercial and industrial customers. Being involved with CLG is part of OCC's effort to work with stakeholders to try to reduce electricity prices, promote electric reliability, and promote fair and effective electric rate policies.

w. Former Consumer Counsel, Katz, Dave Thompson, and Joe Rosenthal were the active OCC personnel who were involved with the discussions among regional electric stakeholders called the New England Power Pool ("NEPOOL"). NEPOOL meetings are often attended by nearly 100 representatives of various electric industry participants, including utilities (privately-owned and publicly-owned), power plant owners (renewable, fossil, and nuclear), demand response developers, retail suppliers, heavy industrial users, and parties that serve the public interest (like OCC). OCC is the sole Connecticut agency that is a voting member of NEPOOL, which functions almost as a quasi-legislature, with proposals, votes, coalitions, and the like. The recommendations of NEPOOL stakeholders do not generally bind the grid operator, ISO New England, but more often than not, the views

of a clear majority of NEPOOL stakeholders usually hold sway in the region or at FERC.

x. During this fiscal year, various OCC staff participated in panel discussions of an organization called the Critical Consumer Issues Forum ("CCIF"), of which Consumer Counsel Katz is on the Advisory Committee. The focus of this year's discussions was on "Connecting Communities: Smart Cities, Enabling Technologies, and the Grid," including how electric infrastructure and electric technology can promote improved transportation systems, the efficient use of power, electric reliability, and environmental sustainability.

- **Conferences**

a. On June 14, 2019, OCC Consumer Counsel and Broadband Policy Coordinator Bill Vallee spoke at a meeting of the FCC Bar Association in Boston on broadband issues affecting Connecticut consumers and municipalities.

b. On May 29, 2019, OCC Principal Attorney Joseph Rosenthal gave a presentation at a EUCI Conference in New Orleans, LA, on the subject of proposals to implement residential electric demand charges entitled, "Residential Demand Charges, a Look at Consumer Advocacy and Regulatory Considerations."

c. On May 16, 2019, Joseph Rosenthal spoke at the National Regulatory Conference in Williamsburg, VA as part of a panel presentation on electric grid modernization.

d. On May 10, 2019, Broadband Policy Coordinator Bill Vallee participated in panel discussions at the Annual Member Conference hosted by the Connecticut Education Network (CEN) to detail the concept of "open access" for fiber network projects financed and owned by state municipalities.

e. On April 7-April 12, 2019, Broadband Policy Coordinator Bill Vallee was a panelist at the Broadband Communities Conference in Austin, TX, focusing on CT State Legislative challenges and opportunities for improving local affordable broadband internet access.

f. On March 12-14, 2019, Broadband Policy Coordinator Bill Vallee attended a conference in NYC at the Practicing Law Institute with panels of broadband

and cable industry participants on a wide variety of consumer and broadband issues.

g. On February 12-13, 2019, Broadband Policy Coordinator Bill Vallee, a member of the State Broadband Leaders Network (SBLN) within the U.S. Department of Commerce, National Telecommunications & Information Administration (NTIA), met with federal agency officials (White House, USDA), the National Governors Association, and SBLN member to develop a strategy for continuing the work of the State Broadband Initiative (2009-2015) in developing broadband and fiber network solutions for federal/state cooperation.

h. On November 8, 2018, Joseph Rosenthal spoke at the Connected New England Conference in Hartford, hosted by Next Century Cities, on the subject of municipal broadband and the attempted use in Connecticut of the municipal gain space on the poles for broadband purposes.

i. On September 26, 2018, Broadband Policy Coordinator Bill Vallee hosted a meeting with a group of Yale College students focused on the use of broadband to reduce digital inequity in low income neighborhoods, as part of a year-long student program run by the Law School.

h. On April 15th, 2019 Economist, John Viglione *gave a presentation and led discussion on Electric Vehicle Customer Engagement at CCIF Forum, Driving a Customer-Centric Energy Future, in Philadelphia, Pennsylvania, March 25, 2019.*

- **<u>Working Group Advocacy</u>**

a. Principal attorneys Joe Rosenthal and Bill Vallee will lead the OCC's activities in the Docket No. 11-03-07RE01 Single Pole Administrator Working Group, to develop a statewide utility pole and conduit management process to streamline access by competitors and new advanced technology providers in an equitable platform to help make Connecticut competitive among the states.

b. OCC has continued to participate in the Supplier Working Group, which was initiated by PURA in 2011 as a forum to address changes in Connecticut's retail energy market. The Supplier Working Group currently provides a collaborative process for stakeholders to consider current regulatory and legislative supplier issues, and to discuss and implement best practices with regard to the Rate Board.

c. OCC participated in the Electronic Business Transaction ("EBT") Working Group, which was initiated to develop the processes necessary to exchange data between licensed electric suppliers and the electric distribution companies to implement the residential electric bill redesign initiative of Section 1 of Public Act 14-75, *An Act Concerning Electric Customer Consumer Protection*. The EBT Working Group continues to meet to resolve ongoing issues with regard to the electric bill redesign and other billing concerns.

d. During this Fiscal Year, OCC participated in a newly-formed Working Group to discuss consumer protection issues in competitive electric markets, including issues with telesales and door-to-door marketing as well as the effect that predatory marketing tactics has on vulnerable populations and the general class of electric ratepayers. The Working Group is comprised of representatives from various Attorney General Offices and state consumer advocate agencies from states which have deregulated energy markets.

- **Third Party Electric Supplier Outreach and Education**

Each month the OCC examines and analyzes 3rd party electric supplier compliance data and produces a "Monthly Supplier Fact Sheet," which is posted regularly on the OCC website. This fact sheet reports on the state of the residential electric supplier market in Connecticut and the impact it is having on customers with 3rd party electric suppliers. Many metrics can be derived from this data, but three important ones stand out. The first of these metrics is the percentage of customers paying more or less than the EDC standard service rate. The second is how much savings or overpayments customers, as a whole, experienced for a particular month. The final metric is a big picture view of the impact of electric suppliers on customers. It examines how much savings or overpayments customers experienced on a rolling year basis. The OCC uses this report as a tool to help inform Connecticut customers about competitive supply and the impact it can have on their bills. The OCC Fact Sheets show that for the last fiscal year, Connecticut ratepayers with a third party electric supplier overpaid by $29,815,554.

Information Reported as Required by State Statute

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