



PURA Opens Proceeding to Explore Placing Hardship Customers on Standard Service

The Public Utilities Regulatory Authority (“PURA”) has opened a docket (Docket No. 18-06-02) to review the feasibility, costs, and benefits of transferring hardship customers receiving electric generation services from third-party electric suppliers to utility standard service. Connecticut General Statutes § 16-245o(m) provides PURA with the authority to undertake such an investigation. The Office of Consumer Counsel (“OCC”) will actively participate in this docket as it proceeds forward.

PURA’s exploration of this issue stems from OCC’s continued advocacy before PURA on behalf of vulnerable populations that have frequently been subjected to excessively high electric rates offered by some electric supply companies. On January 30, 2017, OCC filed an initial petition requesting that PURA investigate potentially abusive targeting of low-income, elderly, and ESL customers by electric suppliers. (Docket No. 17-01-33) In its initial petition, OCC suggested that PURA invoke § 16-245o(m) and transfer hardship customers to standard service as a means of aiding those who already struggle to pay their electric bills. In a supplemental petition filed with PURA on April 30, 2018, OCC again called upon PURA to open such a proceeding. In its supplemental petition, OCC noted that both Massachusetts and New York had recently explored the same option, given data demonstrating that comparable customers in those states were paying more for electricity on suppliers than they would have on the utility’s standard service rate. Authorities in those states were concerned that available energy assistance dollars were being inefficiently expended on behalf of needy recipients due to high supplier rates.

PURA's decision to open Docket No. 18-06-02 in response to OCC's petitions presents a valuable opportunity to confront these issues in Connecticut. In a concurrent docket, PURA is investigating the marked increase in uncollectable accounts over the past several years. (Docket No. 18-04-25) It is possible that transferring hardship customers to standard service may help to ameliorate uncollectable expenses, as customers currently paying more for electricity on a high supplier rate may be more likely to pay their bills on a utility's lower rate. Given that uncollectable expenses are ultimately subsumed by the general class of ratepayers, resolving this issue will aid not only those hardship customers that are directly affected, but the ratepaying public at large. OCC will continue its advocacy in Docket No. 18-02-06 to ensure that hardship customers are not needlessly overcharged for electric service and that energy efficiency funds are expended in the most cost-effective manner.



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