

PURA Quarterly Newsletter

2022

Q3



Public Utilities Regulatory Authority

PURA Outlook

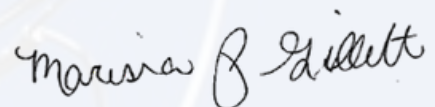
October 4, 2022

As the temperatures begin to drop and the leaves change colors, the Public Utilities Regulatory Authority (Authority or PURA) also finds itself in the middle of a different kind of season; "Rate Case Season." Both the Aquarion Water Company and The United Illuminating Company, combined serving approximately 550,000 customers in Connecticut, have filed applications to amend their rates, launching respective 200- and 350-day deadlines by which PURA must complete its review of each application.

Rate cases are a crucial function of regulating public utilities, as they provide transparency into utility plans and associated costs. Rate cases also provide an opportunity for PURA to take a deep dive into each company's expenses such as capital programs, personnel and management costs, and taxes, as well as rate designs, customer service, and overall performance. This process allows PURA to determine whether any requested rate increase is necessary and reasonable and that the associated costs are "prudent." The Authority's newly formed Office of Technical and Regulatory Analysis (TRA), comprised of diverse areas of expertise including accounting, finance, economics, policy, and engineering, is prepared to take a comprehensive approach to each rate case review.

It is important to note that the Authority's review is not based only on the evidence supplied by the utilities, but also on information supplied by stakeholders. Yet, as a quasi-judicial agency, PURA can only make decisions based on the record evidence placed before us in any given proceeding. Without the active engagement of other state agencies, municipalities, advocates, and individual ratepayers, our decisions are not as robust as they otherwise would be; especially given the consequential matters we are tasked with overseeing. We strongly encourage ratepayers to participate in our public comment hearings or to submit written comments so that your perspectives and evidence can be considered in the formal record by the PURA Commissioners. Please take time to review our requests for public comments on both the Aquarion and United Illuminating applications for important deadlines to be aware of regarding these opportunities.

The Authority has scheduled multiple events throughout the next three months for ratepayers to get involved and has also been working to develop educational resources for ratepayers in advance of these meetings. We look forward to engaging with stakeholders through these proceedings. As always, PURA is committed to exercising its authority to improve the public outcomes of utility service and to deliver on the promise of an equitable modern grid in Connecticut.



Marissa P. Gillett
Chairman

**For more info,
visit our
PURA Rate Case
Webpage**

<https://portal.ct.gov/PURA>

Q3 Major Docket Decisions



ELECTRIC SECTOR

- 22-07-20 - Application of The United Illuminating Company for the Approval of the Issuance of Debt
- 14-07-19RE06 - PURA Investigation into Redesign of the residential Electric billing Format - Five Year Review
- 22-01-03 - PURA Annual Review of Rate Adjustment Mechanism of the Connecticut Light and Power Company
- 22-01-04 - PURA Annual Review of Rate Adjustment Mechanism of the United Illuminating Company



GRID MODERNIZATION

- 17-12-03RE08 - Resilience and Reliability Standards and Programs
- 22-02-10 - 2022 PURA Review of Connecticut Public Service Company Emergency Response Plans
- 22-06-05 - PURA Implementation of PA 22-55



WATER SECTOR

- 22-06-13 - Application of The Connecticut Water Company for Approval of the Issuance of up to \$25,000,000 of Unsecured Notes
- 22-04-01 - Application of Aquarion Company & Torrington Water Company for Approval of Change in Control



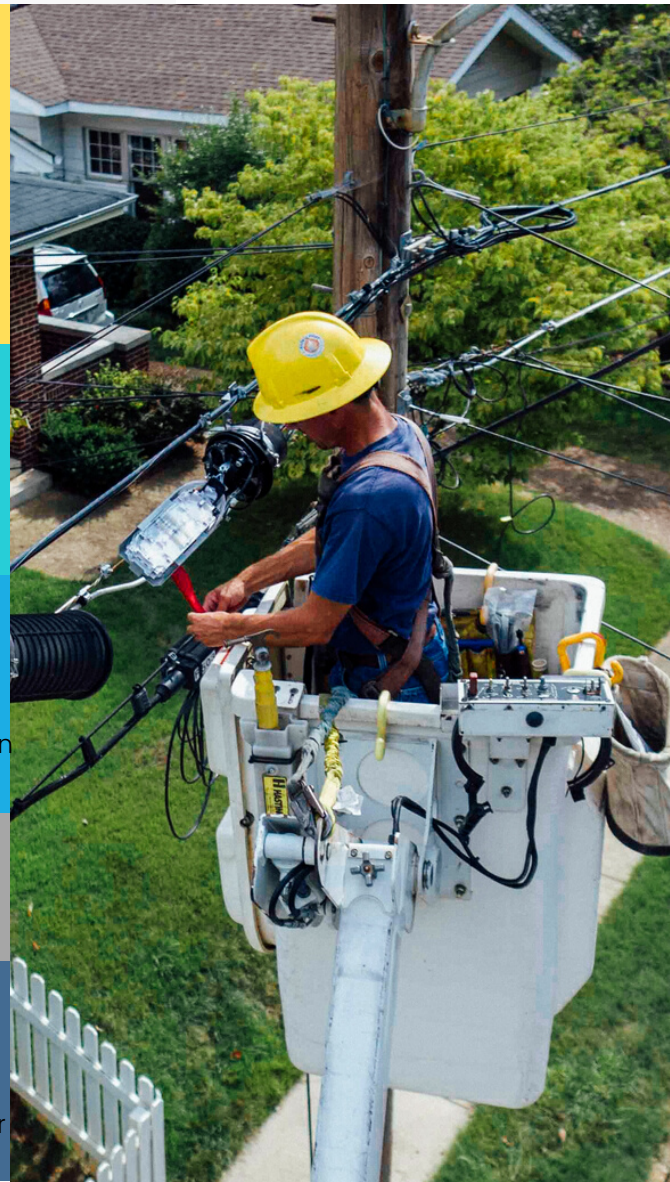
GAS SECTOR

- 22-03-03 - Review of the 2021 System Expansion Reconciliation Mechanisms filed by CNG, SCG and Yankee




TELECOMM SECTOR (INCL. UTILITY POLE ISSUES)

- 21-11-05 - PURA Investigation into Complaint Regarding Unsafe Utility Poles in Avon and Simsbury
- 22-07-21 - Assessment of Civil Penalty Against the Southern New England Telephone Company d/b/a Frontier Communications for Safety Violations




Electric Sector

Q3 Decision Summaries

 **22-07-20**


UI Debt Issuance Application

- The United Illuminating Company (UI) filed an application on 7/22/2022 to issue unsecured notes up to \$50 million at a fixed rate of 4.62% for a 10-year term.
- The proposed issuance would refinance fully matured debt.
- PURA found the application consistent with Conn. Gen. Stat. § 16-43(b).
- UI will issue the 2022 Notes on 12/15/2022.

 **14-07-19RE06**


Electric Ratepayer Bill Redesign

- PURA used this docket to address customer frustration with understanding their electric bills by examining Eversource and UI's residential customer bills and website designs.
- Directs the EDCs to redesign their residential customer bills and website to facilitate customers' understanding of bill components, reasons for cost changes, and awareness of Connecticut's energy goals.

 **22-01-04**

UI RAM

- Annual prudency review of Eversource's actual revenues and expenses from the prior year for certain rate components.
- Largely accepted revenues and expenses for CY 2021
- Reduced NBFMCC rate to reflect 2022 revenue from State contract with Millstone Power Plant.


 **22-01-03**

Eversource RAM

- Annual prudency review of Eversource's actual revenues and expenses from the prior year for certain rate components.
- Largely accepted revenues and expenses for CY 2021
- Reduced NBFMCC rate to reflect 2022 revenue from State contract with Millstone Power Plant.


Grid Modernization

Q3 Decision Summaries

 [17-12-03RE08](#)


Resilience & Reliability Standards & Programs

- Establishes a framework by which the investor-owned electric utilities must plan and implement their reliability and resilience-based capital programs.
- Resilience & reliability program plans to be submitted for PURA's review and approval in their next general rate cases.

 [22-02-10](#)

Emergency Response Plans

- PURA's biennial review of public service companies, telecomm. & internet companies, and municipal utilities' emergency response plans.
- PURA found most compliant with legal requirements.
- PURA ordered improvements to inter-utility coordination, and cybersecurity planning, among others.

 [22-06-05](#)

Implementation of PA 22-55

- Interim decision establishing requirements for investor-owned electric utility proposals due by 1/1/2023 pursuant to Public Act 22-55.
- Creates a framework for energy storage project proposals to demonstrate their ability to promote resilience of critical infrastructure.

Water Sector

Q3 Decision Summaries

 [22-06-13](#)

CWC Unsecured Notes Application

- The Connecticut Water Company (CWC) filed an application on 6/17/2022 to issue unsecured notes up to \$25 million at a fixed rate of 4.71% for a 30-year term.
- CWC proposed to use this debt to support capital investments such as well and reservoir improvements, water treatment, and pump improvements.
- PURA found the application consistent with Conn. Gen Stat. § 16-43(b).


 [22-04-01](#)

Aquarion and Torrington Water Change in Control

- Aquarion Company and Torrington Water Company (TWC) submitted an application for change of control, with TWC continuing to operate as a wholly-owned subsidiary of Aquarion.
- PURA determined that Aquarion is suitable as owner and that the acquisition is in the public's interest as long as the merger is not the basis of a return on equity premium for Aquarion in the future.

Natural Gas Sector

Q3 Decision Summaries


 [22-03-03](#)

2021 SER Mechanism (Interim Decision)

- This Interim Decision streamlines and modifies the Natural Gas System Expansion Plan (SEP), originally established by Docket No. 13-06-02, in response to the Authority's April 2022 Decision in Docket 21-08-24 which ordered an immediate winding down of the gas expansion plan.
- In the 2022 SEP Modification Design in Docket No. 21-08-24, PURA announced it would evaluate which SEP Orders required modification or streamlining.
- In PURA's April 28, 2022 straw proposal, it only proposed modifying orders applicable to the SEP program.

Telecomm Sector (+ Poles)

Q3 Decision Summaries

 [21-11-05](#)

Pole Attachments

- Established a standardized process for Pole Custodians to identify and address structurally compromised poles.
- The new, "Structurally Compromised Pole Process" will ensure that unsafe poles are addressed in a timely manner to protect public safety.

 [22-07-21](#)

Frontier Safety Notice of Violation

- On 7/27/2022, PURA issued a Notice of Violation and Cease and Desist to Frontier Communications for safety violations related to deploying fiberoptic cables in the public right-of-way using inappropriate design and construction standards that were causing damage to other underground utility facilities.
- In accordance with the Notice, Frontier paid a \$5 million civil penalty and provided a revised Oversight Plan and Inspection Program, which PURA subsequently approved
- PURA lifted the cease and desist on 8/26/2022.

[Click here for more information on how to participate](#)

Q4 Upcoming Procedural Events



Tentative Procedural Meetings

Date	Docket No.	Docket Name	Event & Registration
10/06/2022 5:30pm	22-07-01	Application of Aquarion Water Company of Connecticut to Amend its Rate Schedule	Public Comment Hearing
10/11/2022 1:00pm	22-08-05	Annual Energy Storage Solutions Program Review- Year 2	Technical Meeting
10/12/2022 5:30pm	22-07-01	Application of Aquarion Water Company of Connecticut to Amend its Rate Schedule	Public Comment Hearing - Stratford
10/17/2022 1:00pm	18-08-14RE01	PURA Review of the combined Heat and Power Project Solicitation Pursuant to Conn. Gen. Stat §16-258E – Req. To Modify Order No. 4	Hearing
10/18/2022 9:30am	22-08-05	Annual Energy Storage Solutions Program Review- Year 2	Technical Meeting
10/19/2022 1:00pm	09-06-08	Application of Verde Energy USA, Inc. f/k/a Verde Energy Savings, Inc. for an Electric Supplier License	Notice of Violation Hearing
10/19/2022 5:30pm	22-08-08	Application of the United Illuminating Company to Amend its Rate Schedule	Public Comment Hearing - Northford

Tentative Procedural Meetings (cont.)

Date	Docket No.	Docket Name	Event & Registration
10/24/2022 10:00am	<u>21-05-15</u>	PURA Investigation into a Performance-Based Regulation Framework for the Electric Distribution Companies	Stakeholder Workshop
10/25/2022 7:00pm	<u>22-07-01</u>	Application of Aquarion Water Company of Connecticut to Amend its Rate Schedule	<u>Public Comment Hearing</u>
10/31/2022 12:30pm	<u>22-07-02</u>	Assessment of Civil Penalty against Yankee Gas Services Company for Pipeline Safety Violations	<u>Hearing</u>
11/1/2022 10:00am	<u>22-08-21</u>	Assessment of Civil Penalty Against Norbert E. Mitchell Co., Inc. for Pipeline Safety Violations	Hearing
11/7/2022 10:00am	<u>17-12-03RE10</u>	PURA Investigation into Distribution System Planning of the Electric Distribution Companies – Building Blocks of Resource Adequacy and Clean Electric Supply	Technical Meeting
11/10/2022 11:00am	<u>17-10-34RE01</u>	Appeal Petition Pursuant to Connecticut General Statutes 16-235 Aquarion Water Tank, Westport, CT – Project Review	Hearing
11/29/2022 5:30pm	<u>22-08-08</u>	Application of the United Illuminating Company to Amend its Rate Schedule	Public Comment Hearing - New Haven
11/28/2022- 12/07/2022	<u>22-07-01</u>	Application of Aquarion Water Company of Connecticut to Amend its Rate Schedule	Evidentiary Hearings
12/8/2022 10:00am	<u>18-06-02RE01</u>	Two-Year Review Required Pursuant to Conn. Gen. Stat. § 16-245o(m)	Hearing
12/13/2022 1:00pm	<u>22-08-08</u>	Application of The United Illuminating Company to Amend Its Rate Schedule	<u>Public Comment Hearing</u>
12/15/2022 7:00pm	<u>22-08-08</u>	Application of the United Illuminating Company to Amend its Rate Schedule	<u>Public Comment Hearing</u>

Events can also be found on [PURA's Calendar of Events](#)

Proposed Final Opportunities to Comment

Date	Docket	Docket Title	Event Type
10/12/2022	22-08-04	Annual shared Clean Energy Facility Program Review – Year 4	Briefs Due
10/12/2022	21-07-29	Single Visit Transfer Process for Double Poles	Briefs Due
10/13/2022	22-03-03	Review of the 2021 System Expansion Reconciliation Mechanism Filed by: Connecticut Natural Gas Corporation, the Southern Connecticut Gas Company and Yankee Gas Services Company	Briefs Due
10/18/2022	22-08-06	Annual Review of the Electric Vehicle Charging Program – Year 2	Briefs Due
10/25/2022	22-07-01	Application of Aquarion Water Company of Connecticut to Amend Its Rate Schedule	Deadline for Public Comment
11/04/2022	21-12-21	PURA Implementation of Process and Procedures for Conduit Excavations for Telecommunications Service Providers and Broadband Internet Access Service Providers	Briefs Due
11/07/2022	18-08-14RE01	PURA Review of the Combined Heat and Power Project Solicitation Pursuant to Conn. Gen. Stat. §16-258e – Request to Modify Order No. 4	Briefs Due
11/09/2022	22-08-05	Annual Energy Storage Solutions Program Review – Year 2	Briefs Due
11/09/2022	22-07-02	Assessment of Civil Penalty Against Yankee Gas Services Company for Pipeline Safety Violations	Briefs Due

[Click here to file comments or other documents into a docket](#)

PURA Regular Meeting Dates & Planned Final Decisions

Regular Meeting Date	Docket No.	Docket Title
<u>10/12/2022</u>	<u>07-04-24RE01</u>	DPUC Review of Energy Independence Act Capacity Contracts – Waterside Change in Ownership
	<u>22-05-01</u>	2022 Energy Affordability Review
<u>10/19/2022</u>	<u>17-12-03RE11</u>	PURA Investigation into Distribution System Planning of the Electric Distribution Companies – New Rate Designs and Rates Review
<u>10/26/2022</u>	<u>22-03-16</u>	Petition of the Office of Consumer Counsel for an Investigation into the United Illuminating Company and Eversource Energy Regarding Collections Practices During the Covid-19 Moratorium
<u>11/2/2022</u>	<u>22-06-02</u>	Application of GenConn Energy LLC for Establishment of 2023 Revenue Requirements
	<u>22-08-02</u>	Annual Residential Renewable Energy Solutions Program Review – Year 2
	<u>22-04-37</u>	Application of the Southern Connecticut Gas Company for Approval the Sale of Improved Land in Orange, Connecticut Pursuant to Conn. Gen. Stat. § 16-43 and Conn. Regs. §§ 16-43-1 and 16-43-3
	<u>22-08-18</u>	Application of Aquarion Water Company to Dispose of 4.69 Acres of Unimproved Real Property Located at 5 Old Turnpike Road, Bethel, Connecticut
<u>11/9/2022</u>	<u>09-06-08</u>	Application of Verde Energy USA, Inc. f/k/a Verde Energy Savings, Inc. for an Electric Supplier License
	<u>22-06-03</u>	GB II New Haven LLC Application to Establish 2023 Revenue Requirements
	<u>22-08-03</u>	Annual Non-Residential Renewable Energy Solutions Program Review – Year 2
<u>11/23/2022</u>	<u>22-07-02</u>	Assessment of Civil Penalty Against Yankee Gas Services Company for Pipeline Safety Violations
	<u>22-08-04</u>	Annual Shared Clean Energy Facility Program Review – Year 4
<u>11/30/3033</u>	<u>21-07-29</u>	Single Visit Transfer Process for Double Poles
	<u>22-08-33</u>	Application Of The Connecticut Light And Power Company dba Eversource Energy For Approval Of The Issuance Of Long-Term Debt
<u>12/7/2022</u>	<u>22-08-16</u>	2022 PURA Report to the General Assembly on Electric Distribution Company System Reliability
<u>12/14/2022</u>	<u>22-08-06</u>	Annual Review of the Electric Vehicle Charging Program – Year 2
<u>12/21/2022</u>	<u>22-08-05</u>	Annual Energy Storage Solutions Program Review – Year 2
	<u>22-03-03</u>	Review of the 2021 System Expansion Reconciliation Mechanisms Filed by: Connecticut Natural Gas Corporation, The Southern Connecticut Gas Company and Yankee Gas Services Company

PURA In the News

7/6/2022 Hartford Business Journal
PURA orders utilities to standardize, expedite utility pole repairs

8/30/2022 CT Examiner
State Regulators Extend Shut-off Moratorium to May for Hardship Customers.

7/22/2022 Microgrid Knowledge
Connecticut calls on utilities to evaluate non-wires alternatives

9/6/2022 Connecticut Patch
PURA To Hold Public Hearings On Proposed Aquarion Rate Hike In CT

7/27/2022 news12 Long Island
Connecticut electric bills to get simpler and easier to read

9/22/2022 Energy News Network
Connecticut looks to shrink energy burden disparities with discounted rates

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