

FAX

Act Number: 09-031

Bill Number: 5694

Senate Pages: 1896, 1934, 1937-1938 4

House Pages: 1535-1538 4

Committee: Energy: 441, 443, 489-490, 612-614, 672-684, 734, 742 21

Page Total: 29

S - 582

**CONNECTICUT
GENERAL ASSEMBLY
SENATE**

**PROCEEDINGS
2009**

**VOL. 52
PART 6
1667 - 2005**

Calendar 398, House Bill Number 5694, Mr.

President, I move to place this item on the Consent Calendar.

THE CHAIR:

Motion is to place item on consent.

Seeing no objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President. Calendar 401, PR.

Calendar 405, PR.

Calendar 406, PR.

Moving to calendar page 8, Calendar 407, PR.

Calendar 412, PR.

Calendar 417, PR.

Calendar 425, Senate Bill Number 1080, Mr.

President, I move to refer this item to the Committee on Planning and Development.

THE CHAIR:

Motion is to refer item to P&D, Planning and Development.

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President. Calendar 430, PR.

Calendar 433, Senate Bill Number 1142, Mr.

President, I move to refer this item to the Committee

ch/rgd/md
SENATE

49
May 6, 2009

Will you remark further on Senate Bill 949 as amended by Senate A?

If not, there is a motion on the floor to place the item on Consent.

Seeing no objections, Senator Duff, the item will be placed on Consent. Thank you, sir.

Senator Looney.

SENATOR LOONEY:

Yes, thank you, Mr. President. If we might call for a vote now on the Consent Calendar. The Clerk might call the items then we might vote on the calendar.

THE CHAIR:

Mr. Clerk, if you could please call the Consent Calendar, please.

THE CLERK:

Mr. President, those items placed on the first Consent Calendar begin on Calendar page 1, Calendar Number 127, Senate Joint Resolution Number 69.

Calendar page 7, Calendar Number 398, Substitute for House Bill 5694.

Calendar page 9, Calendar Number 452, Substitute for House Bill 6190.

Calendar page 14, Calendar Number 535, Substitute

ch/rgd/md
SENATE

52
May 6, 2009

items placed on the first Consent Calendar.

THE CHAIR:

Thank you. Clerk, if you could please call for a roll call vote, I will open the machine.

THE CLERK:

The Senate is now voting by roll call on the Consent Calendar, will all Senators please return to the chamber. The Senate is now voting by roll on the Consent Calendar, will all Senators please return to the chamber.

THE CHAIR:

Have all Senators voted? If all Senators have voted, please check your vote. The machine will be locked.

Mr. Clerk, please call the tally.

THE CLERK:

The motion is on adoption of Consent Calendar
Number 1:

Total Number Voting	36
Necessary for Adoption	19
Those Voting Yea	36
Those Voting Nay	0
Those Absent/Not Voting	0

THE CHAIR:

ch/rgd/md
SENATE

53
May 6, 2009

Consent Calendar Number 1 passes.

Senator Looney.

SENATOR LOONEY:

Thank you. Thank you, Mr. President. Mr. President, I would move for suspension for immediate transmittal to the House of Representatives of item on calendar page 42, Calendar 519, Senate Bill 1092, An Act Concerning the Client's Security Fund, that was included in the immediately preceding vote on the Consent Calendar.

THE CHAIR:

Motion is to suspend down to the House Calendar 519.

Without objection, so ordered, sir.

SENATOR LOONEY:

Yes, thank you, Mr. President. Mr. President, as the second order of the day, I would ask the Clerk to call the item on calendar page 22, Calendar 595, Substitute for House Bill 6648.

THE CHAIR:

Mr. Clerk.

THE CLERK:

Turning to calendar page 22, a matter marked second order of the day, Calendar Number 595, File

H – 1041

**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
2009**

**VOL.52
PART 5
1290 – 1608**

rgd/med
HOUSE OF REPRESENTATIVES

213
April 7, 2009

Total Number Voting	145
Necessary for Passage	73
Those voting Yea	145
Those voting Nay	0
Those absent and not voting	(Inaudible)

DEPUTY SPEAKER ORANGE:

The bill passes.

Will the House please stand at ease.

Chamber at ease.

Speaker Donovan in the Chair.

SPEAKER DONOVAN:

Will the Clerk please call Calendar 207.

THE CLERK:

On page 14, Calendar 207, substitute for House
Bill Number 5694, AN ACT CONCERNING UTILITY SERVICE
TERMINATION, favorable report of the Committee on
Energy and Technology.

SPEAKER DONOVAN:

Representative Leone.

REP. LEONE (148th):

Thank you, Mr. Speaker. I move acceptance of the

rgd/med
HOUSE OF REPRESENTATIVES

214
April 7, 2009

committee's favorable report and passage of the bill.

SPEAKER DONOVAN:

Question is acceptance of the Joint Committee's favorable report and passage of the bill. Will you remark?

REP. LEONE (148th):

Thank you, Mr. Speaker, and since I don't have a chance to remark on the previous speaker's scarf, I will remark on your tie, so it's nice to see you up there, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative.

REP. LEONE (148th):

Mr. Speaker, this bill is to protect homeowners and renters at risk of the utility service termination by extending from 13 days to 30 days a letter of requirement for termination of any terminations by the electric companies, gas, telephone and water companies, as well as for electric suppliers and any municipality furnishing services.

What this will do is give families protection and more adequate notice to be able to prepare for not having any power utility service. I want to thank both the Chairs and the ranking members and all of the

rgd/med
HOUSE OF REPRESENTATIVES

215
April 7, 2009

members of the Energy and Technology Committee for passing of the bill. This bill has no fiscal impact, and with that, Mr. Speaker, I move adoption of the bill.

SPEAKER DONOVAN:

Remark further on the bill? Representative Hamzy.

REP. HAMZY (78th):

Thank you, Mr. Speaker. I'd like to concur with Representative Leone. This is a good piece of legislation passed unanimously out of the Energy and Technology Committee. Would urge the members of the Chamber to support it, as well. Thank you.

SPEAKER DONOVAN:

Thank you, Representative. Remark further on the bill? Remark further on the bill? Remark further on the bill? If not, staff and guests please come to the well of the House. Members take their seats. The machine will be open.

THE CLERK:

The House of Representatives is voting by roll call. Members to the chamber. The House is voting by roll call. Members to the chamber, please.

SPEAKER DONOVAN:

rgd/med
HOUSE OF REPRESENTATIVES

216
April 7, 2009

Have all the members voted? If all the members have voted, please check the board to make sure your vote has been properly cast. If all the members have voted, the machine will be locked and the Clerk will please take a tally. Clerk will please announce the tally.

THE CLERK:

House Bill 5694.

Total Number Voting 143

Necessary for Passage 72

Those voting Yea 143

Those voting Nay 0

Those absent and not voting (INAUDIBLE)

SPEAKER DONOVAN:

The bill is passed. Clerk please call
Calendar 291.

THE CLERK:

On page 26, Calendar 291, House Bill Number 5841,
AN ACT CONCERNING A UNIFORM REPORTING FORM FOR
PRESCHOOL AND CHILD CARE PROGRAMS, favorable report of
the Committee on Human Services.

SPEAKER DONOVAN:

Representative Cook of the 65th.

**JOINT
STANDING
COMMITTEE
HEARINGS**

**ENERGY AND
TECHNOLOGY
PART 2
352 – 684**

2009

REP. WILLIAMS: Are you here at the behest, or member of an organization like Mr. Mador is with? Somehow you're new about this bill. Right? Did the same organization notify you about this?

STEPHEN DEVOTO: I -- you might guess I've been passionate about clotheslines for a long time, long before this bill came up.

REP. WILLIAMS: I don't know that those words have ever been spoken, together, by the way.

STEPHEN DEVOTO: So I've had my ear to the ground, or the finger to the wind or whatever. So I -- I heard about this bill. I follow municipal and state government.

REP. WILLIAMS: Sure.

STEPHEN DEVOTO: I've been following the state government for a while. So I came across this. I've been in touch with the -- the Sierra Club, but I'm here as an individual.

REP. WILLIAMS: Thank you.

REP. NARDELLO: Thank you. If there are no further questions, thank you very much for coming to testify as an individual.

Our next speaker will be Commissioner Palermino.

ANTHONY PALERMINO: Good afternoon, Representative Nardello, Senator Fonfara and members of the committee. I'm Commissioner Tony Palermino from the DPUC.

I'm here to speak, briefly, on seven bills that we've provided written testimony on. Senate Bill 589, which would include biosludge

HB6128
HB6427
HB5694
SB889
SB890
HB6426

hands is not going to really enhance the protections that will go to the subscribers.

And, finally, obviously, this is obviously in the legislature's hands to determine whether or not they want to increase regulation or leave the deregulated competitive environment, but if the legislature is to do that, we suggest strongly that the playing field be level; that there be no special exceptions made, so that the DPUC can apply the rules fairly to all providers and keep up the competition that's proving so valuable at the present time.

House Bill 6427, we support that if you choose to do it. Thank you very much.

House Bill 5694, regarding utility service termination. Presently, utility service termination has a 13-day time frame. We, again, here, understand that you have the authority in determining whether you want to lengthen that. The only two considerations we'd like to point out for you is, number one, presently none of the utility companies terminate under 13 -- in 13 day's notice. The process usually takes at least two months and more often, more. And we had had recently a docket in '08, where we looked at all those procedures.

Secondly, the 13-day shutoff period has proven to be significant in the responsiveness that it creates from people who get this notice. They, usually, very quickly call the DPUC, or their utility provider and enter into some form of payment arrangement, and therefore, avoid the need for any of this happening. Whether that can be achieved with the 30 days, I'm sure it's possible. We believe we'll leave that in your hands.

REP. NARDELLO: Somewhat, but the issue is that for us, the broader policy decision is, if we make this -- if we go with this legislation for Stamford, how will it effect the entire rec market? So all of that will be taken into consideration when we continue to discuss this. But I thank you. Actually you're very well versed on this. And it's amazing the detail that you really have. So thank you.

JEANETTE BROWN: And if any of you want to come to Stamford and see our pilot project, we would be honored to show you. And if you go to stamfordbiogas.com, you can see us running a Dodge Neon off the gas that we've produced. So thank you very much.

REP. NARDELLO: Our next speaker is Richard Soderman.

RICHARD SODERMAN: Good afternoon, my name's Richard Soderman. I'm here on behalf of the Connecticut Light and Power Company and Yankee Gas Company.

I'm here to testify on three bills, 6427, 5694 and 889. Well, I've got some good news for you. Coming in April, our last resort service for customers who are over 500kw in size will be decreasing by 22 percent. That's good news. And just like when our rates go up and everybody blames us, I'm sure we'll all get credit for the rates going down 22 percent.

The other good news is that over time, standard service rates will go down. We expect them to go down in 2010 and, again, in 2011, if our current forward forecasts of gas prices remain as they are. So it's, I think, a bit of good news.

There's additional information in my prefile testimony on various things that are going to affect the price of electricity over the future.

Regarding Bill No. 6427, this would extend the statutory time limit in -- in multiyear rate plan cases. And for every year of the multiyear rate plan, I believe it provides up to another 30 days or another month's review.

I've included in my testimony a timeline from our last CL&P rate case. And, as you can see, it shows that there is sufficient time for five rounds of discovery and two months of preparation for hearings and still leaves two months for preparing and issuing a decision after briefs are filed. Additional time should not be necessary and, clearly, it does not necessitate the addition of one month of additional review for every one year of a multiyear plan.

The bill, as drafted, would effect delay relief to the detribute (sic.) of the applicant if a multiyear plan were filed, even if the multiyear plan were of a nature that was beneficial for customers; for example, phased-in higher level of rates. In effect, this would cause rate increases to be higher than they otherwise would be and, therefore, we oppose this bill.

With regard to Bill No. 5694, this bill would provide for the owner or manager of a rental property to provide access to the meter and if access is not granted within a reasonable time, the assignment to them of that account. This is the only way to get leverage to some of these accounts. And we support the provisions of this bill.



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC UTILITY CONTROL

Anthony J. Palermino
Commissioner

THE ENERGY & TECHNOLOGY COMMITTEE

**Senate Bill 889: AAC THE ALLOWANCE OF MUNICIPAL PROPERTY TAX
EXPENSE FOR PUBLIC SERVICE COMPANIES**

February 17, 2009

TESTIMONY OF COMMISSIONER ANTHONY PALERMINO

The Department of Public Utility Control (Department) would like to comment on Senate Bill No. 889. Senate Bill No. 889 would require the Department to calculate property taxes in utility company rate proceedings. The Department generally support this proposed language but notes that the bill expresses a methodology the Department currently employs and which is currently subject to litigation. Simply stated, a rate case establishes the revenue requirement a utility company should have for the prospective year. As such, sooner or later the effect of higher property taxes would be rolled into a company's rate case. Therefore, the Department, as stated in Office of Consumer Council vs. The DPUC and the Torrington Water Company complaint have argued that the property tax calculation should be based on the new mill rate.

Since this issue is currently before the courts in the above mentioned proceeding, the Department recommends that no action on this bill be taken until the issue is resolved through the legal review.

The Department appreciates this opportunity to testify and is available for any further questions.

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Energy and Technology Committee

Testimony

February 17, 2009

RE: S.B. 589 AA Redefining Class I Renewable Energy Sources

Senator John W. Fonfara, Chairman
Representative Vickie O. Nardello, Chairwoman
Members of the Energy and Technology Committee

The American Forest & Paper Association (AF&PA) appreciates the opportunity to comment on S.B. 589. This measure, in redefining Class 1 renewable energy source, should define "biosludge" and "biosolids" to include the biomass-based fuels of the forest products industry.

AF&PA is the national trade association of the forest, pulp, paper, paperboard, and wood products industry. We represent 130 companies and related associations focused on producing essential products for people from renewable and recyclable resources that sustain the environment. The forest products industry generates \$200 billion a year in sales and employs more than one million people—on par with the nations automotive and plastics industries. The industry is among the top 10 manufacturing sector employers in 48 states. In Connecticut, our industry employs more than 7,000 individuals and operates more than 80 manufacturing facilities.

The forest products industry uses both co-product fuels (spent pulping (black) liquor, wood dust, bark, and wood chips) and purchased fuels (natural gas and fuel oil) to produce steam and electricity used in its manufacturing processes. For decades, our industry has been committed to reducing its reliance on fossil fuels and increasing its energy efficiency.¹ In fact, since 1972, the energy consumed from the burning of fossil fuels at pulp and paper mills has decreased by over 50 percent. Much of this improvement can be credited to the use of renewable, biomass energy – bark, other wood wastes, and spent pulping (black) liquor. These biomass feedstocks are the largest source of fuel for these mills and, combined with self-generated hydroelectricity, supply nearly 60 percent of AF&PA member pulp and paper mill energy needs, thereby displacing very significant amounts of fossil fuels.

Black liquor, or spent pulping liquor as it is also commonly called, is a renewable, clean source of energy that can be used to displace fossil fuels and reduce greenhouse gas emissions. Several states (see attachment) and the U.S. government recognize spent pulping liquor as a renewable energy resource in their renewable or biomass energy statutes or regulations. Connecticut should include "spent pulping liquor" a renewable and climate-friendly biomass in this legislation.

¹ See AF&PA Environmental Health and Safety Verification Program Report for 2002, http://www.afandpa.org/Content/NavigationMenu/Environment_and_Recycling/Environment,_Health_and_Safety/Reports/2002EHSReport.pdf

The production of electricity using biomass-based co-generation technology has the collateral benefits of reducing nitrogen oxides and sulfur dioxide emissions. Paper-making processes often use inorganic chemicals to break down wood chips, separating cellulose fibers by dissolving the lignin, a non-cellulosic molecule containing phenol and comprised of carbon, hydrogen, and oxygen that acts as the "glue" holding wood cells together. After the cellulose is removed for pulp and paper production, the "spent pulping liquor" is reprocessed. The inorganic chemicals are recovered and recycled back into usable pulping liquor. The leftover wood component (mostly lignin) is combusted to generate process steam and electricity.² When combusted, black liquor is carbon-neutral with regard to the amount of greenhouse gases released – proof of why the substance is deserving of renewable energy status under S.B. 589.

The U.S. government specifically recognizes lignin material recovered from spent pulping liquor as a valid biomass-based substance entitled to qualify for the Internal Revenue Code Section (IRS) 45 Tax Credit for Electricity Produced from Open-Loop Biomass. Like S.B. 589, the Section 45 credit is intended to encourage the use of biomass-based fuel.

Over the years, there has been a perceived lack of clarity on the status of spent pulping liquors within the tax credit. Congress addressed the issue in several statutes, one of which³ amended the definition of open-loop biomass to include "any lignin material" from spent pulping liquors qualifies for the credit. Moreover, the IRS issued guidance clarifying that "lignin material recovered from spent pulping liquors" qualifies for the tax credit.⁴ The statute and guidance make clear that black liquors or spent pulping liquors contain lignin—a valuable biomass-based resource—that should be recognized under the credit.

The increased use of renewable energy has many benefits. Increased use of renewables decreases greenhouse gas emissions and reliance on fossil fuels, which can help protect consumers from volatile fuel prices. Including "spent pulping liquor" in S.B. 589's renewable energy definition would align Connecticut's policies with that of numerous states, and the U.S. government, and would encourage future positive precedents for this important source of renewable energy for the nation.

AF&PA urges the Committee to further review this issue and to ensure that the terms defined in S.B. 589 provide for the inclusion of forest products biomass-based fuels. Please contact our legislative advocate TJ Casey, at (860) 229-0301, with any questions. Thank you for your consideration.

Regards,

Brynn K. Iversen
Manager, Government Affairs

² Peter Koch "Utilization of the Southern Pines"; Agriculture Handbook No 420; USA Forest Service, Southern Forest Experiment Station; August 1972; p188.

³ See Section 402(b) of the Gulf Opportunity Zone Act of 2005 (P.L. 109-135)

⁴ IRS Notice 2006-88, issued September 26, 2006.

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TESTIMONY OF

THE CONNECTICUT COALITION OF PROPERTY OWNERS

BEFORE THE
LEGISLATURE'S ENERGY & TECHNOLOGY COMMITTEE
1:00 PM, TUESDAY, FEBRUARY 17, 2009
ROOM 1B, LEGISLATIVE OFFICE BUILDING

Good afternoon. My name is Marshall R. Collins. I am appearing in my capacity as Counsel for Government Relations for Connecticut Coalition of Property Owners ("CCOPO"). CCOPO is the largest landlord, property owner organization in Connecticut. CCOPO has chapters in Stamford, Bridgeport, Hartford, East Hartford, Manchester and members in numerous other communities. The Connecticut Association of Real Estate Investors is also a member of CCOPO. Collectively, CCOPO members own more than 20,000 rental units throughout Connecticut.

I am here today to request that the Committee amend HB 5694 AAC Utility Service Termination. HB 5694 should contain the language of 2008 Substitute House Bill 7250, File Copy # 482. The language of last year's bill reflected a carefully constructed compromise between landlords and public utility companies. CCOPO supported *SHB 7250, File 482* and wishes to support the same language again this year.

CCOPO and the utilities agreed that responsible landlords or property owners should grant access to public utility meters after receiving a written notice from the public service company.

The agreed upon procedure was to be as follows:

- 1) The utility should provide a written request for access to the meter.
- 2) If the landlord has effective control of access to the meter, the landlord should grant access within ten days of such request.
- 3) If the landlord fails to grant access within the ten day period, the landlord will be liable for the utility's costs prospectively from the eleventh day forward.

The language of *HB 5694, LCO 2685* has the language of last year's File Copy, except for Section 2(g) which is reflected in lines 106-126. It appears that the new language inadvertently omitted the prospective liability provision which reflects that the liability begins on the eleventh day after the written request.

The following is the language from the 2008 File Copy which should be included as Section 2(g) in this year's bill, *HB 5694*:

(g) The owner, agent, lessor or manager of a residential dwelling shall be responsible for providing a public service company, electrical supplier or municipal utility or heating fuel dealer access to its meter or other facilities located on the premises of the residential dwelling promptly upon written request of the public service company, electrical supplier or municipal utility or heating fuel dealer during reasonable hours. If such owner, agent, lessor or manager controls access to the meter or facilities and fails to provide such access within ten days of reasonable written request of the company, supplier, utility or dealer, the owner, agent, lessor or manager shall be liable for the costs incurred by the company, supplier, utility or dealer in gaining access to the meter and facilities, including costs of collection and attorney fees. If the failure to provide access delays the ability of the company, supplier, utility or dealer to terminate service to an individually metered or billed portion of the dwelling, the owner, agent, lessor or manager failing to provide access shall also be liable for the amounts billed by the company, supplier, utility or dealer for service provided to the individually metered or billed portion of the dwelling for the period beginning eleven days after written request for access and ending when access is provided by such owner, agent, lessor or manager.

CCOPO wishes to acknowledge the work of the United Illuminating Company in reaching this compromise. **CCOPO supports the above substitute language for HB 5694.**

This completes my testimony. Thank you for your consideration.



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Comments Regarding Bill #5694
An Act Concerning Utility Service Termination
Before the Energy and Technology Committee
February 17, 2009
Prepared by Shirley Bergert¹

Recommended Action: Support with minor modification to strengthen Section 1

I apologize that I am not able to attend the public hearing on this bill, but submit the following comments in the hope that you find them useful in your deliberations

Section 1 of the bill: Protection Against Illegal Terminations

Section 1 addresses a long-standing problem of landlords inappropriately, and in some cases illegally, requesting utility service terminations for dwelling units occupied by tenants. In some cases the landlord will pose as the tenant in making a request where the utility bill is in the tenant's name, or the landlord will misrepresent that a unit is not occupied. Conn. Gen. Stat. §19a-109 prohibits a landlord from arranging termination of heat, cooking gas, electricity, hot water or water unless there is a signed statement by the tenant agreeing to service termination or a notarized statement by the landlord indicating the unit is vacant. Section 1 of 5694 requires provision of identification to the utility by the individual requesting service termination and 9 days notice to unit occupants before termination is effected. The bill does not preclude utilities from terminating service if requested by safety officials or where safety or public health are affected. **To ensure compliance with the requirements of Conn. Gen. Stat. §19a-109, we recommend modification of the bill language, drawing from §19a-109:**

Section 1. (NEW) (Effective July 1, 2009) (a) A person seeking to terminate electric, gas, telecommunications or water service to a residential dwelling shall provide to the electric distribution, gas, telecommunications or water company, electric supplier or municipal utility providing such service either (1) identification, as defined in section 16-49e of the general statutes, (2) the password previously provided by the customer of record for such service, (3) the customer code provided by the company, supplier or utility, or (4) other reasonable identification method established by the company, supplier or utility sufficient to establish that the person authorizing the termination is the customer of record or the customer's authorized representative, and a statement signed by the lessee agreeing to such termination or a notarized statement signed by the lessor to the effect that the premises are vacant. Such company, supplier or utility shall not terminate service if the person does not provide such reasonable identification.

Section 2 of the bill: Remediating Landlord Failure to Provide Meter Access

Section 2 allows utilities and fuel dealers to shift utility/energy bills to landlords where landlords control access to meters and equipment and the utilities are

¹ Shirley Bergert serves as the residential representative on the Energy Conservation Management Board overseeing the expenditure of ratepayer conservation funds in Connecticut Energy Efficiency Fund (Conn. Gen. Stat. § 16-245m); as the low income representative on the Fuel Oil Conservation Board (Conn. Gen. Stat. § 16a-22f); on the Low Income Energy Advisory Board (Conn. Gen. Stat. § 16a-41b); and on the Advisory Board of the Institute for Sustainable Energy at Eastern Connecticut State University.

denied access after a written request. This is a reasonable approach to addressing this problem. Lack of access to meters and equipment creates problems with.

- reading meters (important for accurate billing);
- terminations of service (*e.g.*, nonpayment, or on request of a tenant who moves, meaning the tenant can have ongoing liability for the meter charges although no longer residing in the dwelling);
- investigating cross-wiring/gas piping (potential code violations and safety investigations and illegal cost shifting in violation of the Conn. Gen. Stat. §47a-7 provision requiring the landlord to maintain responsibility for energy services not in the "exclusive control of the tenant or supplied by a direct public utility connection", and the Conn. Gen. Stat. §16-262e(c) providing the landlord is responsible for utility service or fuel "except for any service furnished to any dwelling unit of the building on an individually metered or billed basis for the exclusive use of the occupants of that dwelling unit."



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC UTILITY CONTROL

Anthony J. Palermino
Commissioner

THE ENERGY & TECHNOLOGY COMMITTEE

House Bill 5694: AAC UTILITY SERVICE TERMINATION

February 17, 2009

TESTIMONY OF COMMISSIONER ANTHONY PALERMINO

The Department of Public Utility Control (Department) would like to make the following comments on House Bill No. 5694. House Bill No. 5694 would extend from thirteen days to thirty days a letter requirement for terminations by electric companies, gas, telephone and water companies as well as for electric suppliers and a municipality furnishing services.

The Department recognizes that not all companies handle terminations of service exactly the same way. Some of the criteria that companies use to decide whether and when a termination notice should be issued may include: when the last payment was made, the size of the bill or outstanding balance, previous payment history and the customer's history of entering and maintaining (or breaking) payment arrangements. The Department agrees that the public would benefit from explicitly stated rules and more clear parameters for customers facing termination of services.

However, the Department is concerned that a longer wait time could cause customers to forget towards the end of the 30-day period that they had received a termination notice. Moreover, if this bill leads to utility companies increasing the amount a customer will have to pay to have their services reinstated, or to avoid termination, the Department would recommend against passing this bill as currently written. It has been the Department's observation that the 13 day notice is likely to result in the customer contacting the company/Department immediately upon receipt of the termination notice to work out a payment arrangement and to avoid termination. Therefore, extending the notice time-line for the companies may have a detrimental affect on motivating customers to act more decidedly and quickly to resolve their billing issues.

As the Committee is aware, hardship customers are protected from termination from November 1 to May 1. There are also additional protections from termination for customers who have a serious illness or whose life could be jeopardized by a loss of utility services. Customers whose service is in danger of being terminated can also ask the Department to investigate the utility company's actions and the circumstances around the termination. Lastly, customers can always set-up payment arrangements with the utility if they are facing arrearages and a financial hardship.

The Department appreciates this opportunity to testify and urges the Committee to consider the full impact of such a modification prior to urging passage of this bill. We look forward to working with the Committee on this matter as the Committee sees fit.

TESTIMONY OF
THE UNITED ILLUMINATING COMPANY

Before the Energy and Technology Committee

Re:

Committee Bill 5694 – An Act Concerning Utility Service Termination

Legislative Office Building

February 17, 2009.

Senator Fonfara, Representative Nardello, and members of the Energy and Technology Committee. My name is George Balsamo and I am the Meter Security Manager for the United Illuminating Company. I am here today to express UI's strong support of raised **Committee Bill 5694**— **An Act Concerning Utility Service Termination**. This bill has been before the Committee several times and the Committee has acted favorably on it every time. The House of Representative has adopted the bill by overwhelming votes in every occasion.

The importance of utilities to access their equipment for purposes of inspection, testing, removal, exchange and the like has been recognized since metering was first developed. Utilities in the northeast have a significant portion of their revenue metering located indoors. It has become increasingly difficult for utilities to access their metering despite many attempts to notify inhabitants and owners of this need.

It is well known that the cost of energy has increased significantly and ratepayers have been dramatically affected as a result of these costs. Utilities are obligated to keep these increases at a minimum. The examination, testing and associated meter work is more important than ever and the need for utilities to access their equipment to perform these tasks has become equally important.

The advent of automatic metering allows utilities to measure energy more reliably than ever before. It is important to the ratepayer that this reliability be maintained. In multiple family dwellings access by utilities has become more difficult; partly due to the availability of inhabitants and partly due to apathy. Owners of these dwellings have historically assisted utilities in this access issue yet it is alarming to see an increasing number of owners reluctant to assist. This reluctance creates additional costs caused by the utility's inability to address revenue loss issues because it cannot access its equipment.

The bill seeks to assign the ongoing costs of not providing access to our facilities with the entities that have effective access control to our facilities - owners, agents, lessor's or managers of multiunit buildings.

The United Illuminating Company also supports the provisions of Section 1 of this bill that seeks to ensure that only the customer of record or the customer's authorized representative can request a voluntary termination of service

For these reasons, the United Illuminating Company strongly supports Committee Bill 5694 **An Act Concerning Utility Service Termination** and urges The Energy and Technology Committee to give it a Joint Favorable Report.

Thank you for the opportunity to appear before you today. I will try to answer any questions you may have.



STATEMENT OF AT&T CONNECTICUT

Regarding House Bill No. 5694 **An Act Concerning the Utility Service Termination** **Before the Committee on Energy and Technology** **February 17, 2009**

Proposal:

Among other modifications to the statutes regarding utility service terminations, House Bill No. 5694 would add a requirement that a provider of electric, gas, telecommunications or water service use reasonable means to identify any person requesting the termination of service to a residential dwelling. If the person requesting termination cannot provide the identification required pursuant to subsection (a), the bill would permit the company to terminate service after sending a written notification to the customer of record and waiting at least nine days.

Comments:

AT&T Connecticut does not object to the provision requiring identification of anyone seeking to terminate residential service. It is good business practice – and part of existing procedure followed by AT&T. While the written notification provided for in subsection (b) is not the only avenue for advising the customer of record, it is not an unreasonable requirement in the event the company determines that service should be terminated as a result of the request of a third party.

Conclusion:

AT&T has no objection to adoption of House Bill No. 5694 as drafted.



Testimony
Elizabeth Gara
Connecticut Water Works Association (CWWA)
Before the Energy Committee
February 17, 2009
RE: HB-5694, Act Concerning Utility Service Termination

The Connecticut Water Works Association (CWWA) opposes Section 1 of HB-5694, which would create unnecessary delays in responding to requests for termination of utility service by requiring utilities to establish that the person authorizing the termination is the customer of record.

Our companies already take a number of steps to verify that they are working with the customer of record and verifying account information when handling any request pertaining to a customer account. We do not believe that the current practices utilized by water utilities regarding termination of service warrant any change. Utilities and customers both benefit when utilities respond quickly and efficiently to requests for termination of service. The customers of our member companies have not expressed any concerns regarding how requests for termination of service are processed.

To the contrary, customers benefit from the ability of water companies to respond quickly and efficiently to requests for termination of service. For example, customer may have contractors or family members contact the utility to shut off service to make needed repairs, often times of an emergency nature. Attorneys, real estate agents and brokers may request termination of service to accommodate property transfers and closings. Family members may request termination of service when a loved one is hospitalized or has moved. The ability to respond to these requests would be compromised under the bill because the utility would be required to send a notice to the customer of record nine or more days prior to the requested termination date. This creates an unnecessary delay in responding to the needs of our customers and an additional administrative requirement on the utility.

In addition, water companies do not usually issue customer identification numbers prior to establishing service. Putting such a process in place will create unnecessary delays in responding to requests for new service, which would frustrate customers. Again, our members companies have not experienced any customer complaints regarding the absence of a customer identification number or password. We therefore oppose Section 1 as unnecessary and inefficient.

CWWA supports Section 2 of HB-5694, which provides that the owner, agent, lessor or manager of a residential dwelling is liable for service if the utility is denied access to its individual meters or other facilities. Utilities must be able to obtain access to meters for the purpose of inspection, testing, removal and exchange. Unfortunately, it is sometimes difficult to access meters for a variety of reasons. This section will help ensure that owners, etc. will take reasonable steps to ensure access to individual meters.

The Connecticut Water Works Association, Inc. (CWWA) is an association of private, municipal and regional public water supply utilities serving more than 500,000 customers, or population of about 2½ million people, located throughout Connecticut.



**TESTIMONY OF
CONNECTICUT NATURAL GAS CORPORATION AND
THE SOUTHERN CONNECTICUT GAS COMPANY**

Raised Bill 5694 – An Act Concerning Utility Service Termination.

Good morning Senator Fonfara and Representative Nardello and members of the committee, my name is John Dobos and I am Director of Public Affairs for the Connecticut Natural Gas Corporation (CNG) and The Southern Connecticut Gas Company (SCG). I appreciate the opportunity to submit testimony to you today in support of Raised Bill 5694 – An Act Concerning Utility Service Termination.

CNG and SCG support placing statutory responsibility on landlords to either provide access to our equipment or to assume responsibility for the payment of utility service to the building. It is intended to reduce uncollectables by allowing the Company to access meters to perform a shutoff or to undertake a repair.

CNG and SCG have approximately 40% of their meters inside the customers' premises. When a customer in a rented facility moves out, and company cannot gain access to the meter to shut off the meter, the gas and the heat stay on. Without enactment of this measure, the full costs of un-terminated services become a burden on all of the ratepayers of the company. If landlords wish to maintain service at these premises, they can establish a new account for the unit.

I would like to express our appreciation and support for your work on this issue and advise you that we are available to work with you on this matter.

Thank you for your consideration.



State of Connecticut
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MEMBER
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 TRANSPORTATION COMMITTEE
 REGULATIONS REVIEW COMMITTEE

February 17, 2009

Energy and Technology Committee Public Hearing

**Testimony of State Representative Carlo Leone
 in Support of HB 5694
 An Act Concerning Utility Service Termination**

Representative Nardello, Senator Fonfara, Members of the Energy and Technology Committee, For the record my name is State Representative Carlo Leone from the 148th District in Stamford.

First I would like to thank the committee for again raising this bill and the opportunity to speak here today. I introduced similar legislation last year which passed unanimously in the Energy and Judiciary Committees, as well as the House, but unfortunately it died in the Senate

Essentially, this legislation would require *that utility companies notify customers no less than thirty days in writing before they can terminate service to a homeowner.* This bill is needed to give families protection and more adequate notice to be able to prepare for not having power or utility services. This would be especially helpful in the case of families with small children, seniors with special needs, and for anyone with specific power related medical requirements, as well as any other citizen who needs to make necessary arrangements for not having power.

This bill proposal is a result of third party falsely attempting to recoup their costs from a broken agreement by *their* client. This third party, from Texas, called the electric company and requested power turned off at the location without any communication to the home owner, and the request was granted by the electric company with out any verification or questions asked. Were it not for my involvement, the power would have been terminated and delays, extra reconnect fees and overall poor customer service relationships would have been inevitable.

Any homeowner should have peace of mind and should not have to worry that any third party can call a power company and terminate electricity without their consent, any communication, or even due diligence by the company to verify the information is valid. This proposed language is a simple fix to a potentially drastic situation and it was negotiated and agreed to by all parties during the 2007 session

I do appreciate your time and thank you again for this opportunity to testify. I am available at any time and would be more than happy to answer any questions committee members may have

SERVING STAMFORD'S 148TH DISTRICT

**JOINT
STANDING
COMMITTEE
HEARINGS**

**ENERGY AND
TECHNOLOGY
PART 3
685 – 1023**

2009

TESTIMONY OF
RICHARD A. SODERMAN
ON BEHALF OF
THE CONNECTICUT LIGHT AND POWER COMPANY and
YANKEE GAS SERVICES COMPANY

FEBRUARY 17, 2009

Good afternoon. My name is Richard Soderman and I am Director of Legislative Policy for Northeast Utilities, here on behalf of The Connecticut Light and Power Company and Yankee Gas Services Company. We appreciate the opportunity to speak to you today about the complex energy challenges now facing Connecticut, and to provide comments on Proposed Bills numbered 6427, 5995, 5694, 889, and 890.

CL&P has been part of everyday life in Connecticut for more than 100 years, providing safe and reliable electric service to homes, neighborhoods and businesses. With 1.2 million customers in 149 cities and towns, and 1,900 employees, CL&P is an active member in the communities it serves, including the largest taxpayer in many, offering programs in energy efficiency, economic development and environmental stewardship. Yankee Gas is Connecticut's largest natural gas distribution company, with over 400 employees delivering safe, reliable natural gas service to approximately 205,000 customers in 71 cities and towns. Yankee Gas is expanding Connecticut's energy options and increasing customer choice by extending the availability of clean, efficient natural gas throughout the state. Our service

Testimony of 9
Richard Soderman CL&P/YGS Feb. 17, 2009

2. Proposed H. B. Bill No. 5694 (AAC UTILITY SERVICE TERMINATION)

Currently, an increased cost of providing electric and gas service results from our inability to collect charges for service for vacated rental properties or to terminate service to such properties. In such cases, our ability to terminate service is blocked because we are unable to gain access to our meters within the building. As a result, the cost of our receivables increases, which ultimately increases rates to all other customers.

This raised bill would provide for the owner or manager of such property to provide access to the meter, and, if access is not granted within a reasonable timeframe after a written request, the assignment to them for any charges and costs associated with service to that property. In this way, denial of access to our meters can no longer be used as a means to maintain service to a rental property without taking responsibility for the charges for that service. We support the provisions of this bill.