



General Assembly

February Session, 2020

Raised Bill No. 5225

LCO No. 1638



Referred to Committee on ENERGY AND TECHNOLOGY

Introduced by:
(ET)

AN ACT CONCERNING CONSUMER PROTECTIONS FOR CUSTOMERS OF ELECTRIC SUPPLIERS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 16-1 of the general statutes is
2 amended by adding subdivisions (51) and (52) as follows (*Effective*
3 *October 1, 2020*):

4 (NEW) (51) "Telesales call" means any communication using a
5 telephonic device, including, but not limited to, land telephone lines and
6 cellular telephone lines, in which the purpose of the communication is
7 to inform a customer or potential customer about a product offering,
8 engage a customer or potential customer in a conversation that may
9 result in entering into a contract for services or discuss current or future
10 contract terms with a customer or potential customer; and

11 (NEW) (52) "Record" or "Recording" means an audio recording of the
12 telesales call with the customer or potential customer.

13 Sec. 2. Section 16-245o of the general statutes is amended by adding
14 subsection (p) as follows (*Effective October 1, 2020*):

15 (NEW) (p) (1) Each electric supplier shall record the entirety of all
16 telesales calls lasting ten seconds or longer with all residential customers
17 or potential residential customers, and shall retain such telesales call
18 recordings for two years after the date the recording was made.

19 (2) When conducting telesales calls to any residential customer or
20 potential residential customer, each electric supplier shall begin by
21 immediately stating: (A) The full name of the electric supplier
22 conducting the call; (B) that the purpose of the call is to sell electric
23 supply service to the residential customer or potential residential
24 customer; and (C) that such electric supplier does not represent, and is
25 not affiliated with, any electric distribution company.

26 (3) When conducting telesales or face-to-face marketing to any
27 residential customer or potential residential customer, prior to initiating
28 the third-party verification as described in subsection (b) of section 16-
29 245s of the general statutes, each electric supplier shall inform the
30 residential customer or potential residential customer: (A) That, if the
31 residential customer or potential residential customer assents, the
32 telesales call or face-to-face marketing will result in the residential
33 customer or potential residential customer immediately entering into a
34 contract with the electric supplier; (B) that the residential customer or
35 potential residential customer may rescind the contract with the electric
36 supplier without penalty as required by subdivision (2) of subsection (f)
37 of section 16-245o of the general statutes, as amended by this act; (C)
38 what the standard service rate is on the date of the telesales call or face-
39 to-face marketing in cents per kilowatt hour, and, if the telesales call or
40 face-to-face marketing is being conducted within forty-five calendar
41 days of a change to the standard service rate, the date that the standard
42 service rate will change and what the standard service rate will be on
43 that date in cents per kilowatt hour; and (D) of all material contract
44 terms, as defined by the authority in its decisions.

45 (4) When conducting telesales calls or face-to-face marketing to any
46 residential customer or potential residential customer, each electric
47 supplier is prohibited from representing that: (A) The electric supplier

48 or its offer is affiliated with any state or utility program; (B) any state
49 program encourages or requires Connecticut electric customers to
50 obtain an electric supplier; (C) the electric distribution company
51 encourages or requires Connecticut electric customers to obtain an
52 electric supplier; and (D) the standard service rate is a variable rate.

53 (5) When conducting telesales calls or face-to-face marketing to any
54 residential customer or potential residential customer, no electric
55 supplier may request the account information from a potential
56 residential customer or request that a potential residential customer
57 retrieve account information or the potential residential customer's
58 electric distribution company bill prior to the residential customer or
59 potential residential customer affirmatively assenting to contract with
60 the electric supplier.

61 (6) Each electric supplier shall terminate any telesales call when a
62 residential customer or potential residential customer connects with the
63 third-party verification, as described in subsection (b) of section 16-245s
64 of the general statutes, and may not remain on the telephone line while
65 the residential customer or potential residential customer participates in
66 the third-party verification.

67 (7) Each electric supplier shall process a residential customer's
68 enrollment or reenrollment and submit such enrollment or reenrollment
69 to the electric distribution company within three business days after the
70 conclusion of the rescission period required by subdivision (2) of
71 subsection (f) of section 16-245o of the general statutes, as amended by
72 this act, unless the residential customer agrees to a later date.

73 Sec. 3. Subparagraph (A) of subdivision (7) of subsection (h) of section
74 16-245o of the general statutes is repealed and the following is
75 substituted in lieu thereof (*Effective October 1, 2020*):

76 (7) (A) No contract for electric generation services by an electric
77 supplier shall require a residential customer to pay any fee for
78 termination or early cancellation of a contract. [in excess of fifty dollars,
79 provided when an electric supplier offers a contract, it provides the

80 residential customer an estimate of such customer's average monthly
81 bill, and provided further it] It shall not be considered a termination or
82 early cancellation of a contract if a residential customer moves from one
83 dwelling within the state and remains with the same electric supplier.

84 Sec. 4. Subdivision (1) of subsection (h) of section 16-245o of the
85 general statutes is repealed and the following is substituted in lieu
86 thereof (*Effective October 1, 2020*):

87 (h) (1) Any third-party agent who contracts with or is otherwise
88 compensated by an electric supplier to sell electric generation services,
89 or contracts with or is compensated by an agent or third-party marketer
90 of the electric supplier to sell electric generation services for the electric
91 supplier, shall be a legal agent of the electric supplier. No third-party
92 agent may sell electric generation services on behalf of an electric
93 supplier unless (A) the third-party agent is an employee or independent
94 contractor of such electric supplier, and (B) the third-party agent has
95 received appropriate training directly from such electric supplier.

96 Sec. 5. Subsection (a) of section 16-41 of the general statutes is
97 repealed and the following is substituted in lieu thereof (*Effective October*
98 *1, 2020*):

99 (a) Each (1) public service company and its officers, agents and
100 employees, (2) electric supplier or person providing electric generation
101 services without a license in violation of section 16-245, as amended by
102 this act, and its officers, agents and employees, (3) certified
103 telecommunications provider or person providing telecommunications
104 services without authorization pursuant to sections 16-247f to 16-247h,
105 inclusive, and its officers, agents and employees, (4) person, public
106 agency or public utility, as such terms are defined in section 16-345,
107 subject to the requirements of chapter 293, (5) person subject to the
108 registration requirements under section 16-258a, (6) cellular mobile
109 telephone carrier, as described in section 16-250b, (7) Connecticut
110 electric efficiency partner, as defined in section 16-243v, (8) company, as
111 defined in section 16-49, and (9) entity approved to submeter pursuant

112 to section 16-19ff shall obey, observe and comply with all applicable
113 provisions of this title and each applicable order made or applicable
114 regulations adopted by the Public Utilities Regulatory Authority by
115 virtue of this title as long as the same remains in force. Any such
116 company, electric supplier, certified telecommunications provider,
117 cellular mobile telephone carrier, Connecticut electric efficiency partner,
118 entity approved to submeter, person, any officer, agent or employee
119 thereof, public agency or public utility which the authority finds has
120 failed to obey or comply with any such provision of this title, order or
121 regulation shall be fined, ordered to pay restitution to customers or
122 ordered to pay a combination of a fine and restitution by order of the
123 authority in accordance with the penalty prescribed for the violated
124 provision of this title or, if no penalty is prescribed, not more than ten
125 thousand dollars for each offense, except that the penalty shall be a fine,
126 restitution to customers or a combination of a fine and restitution of not
127 more than forty thousand dollars for failure to comply with an order of
128 the authority made in accordance with the provisions of section 16-19 or
129 16-247k or within thirty days of such order or within any specific time
130 period for compliance specified in such order. The authority may direct
131 a portion of any fine levied pursuant to this section to be paid to a
132 nonprofit agency engaged in energy assistance programs named by the
133 authority in its decision or notice of violation. Each distinct violation of
134 any such provision of this title, order or regulation shall be a separate
135 offense and, in case of a continued violation, each day thereof shall be
136 deemed a separate offense. Each such penalty and any interest charged
137 pursuant to subsection (g) or (h) of section 16-49 shall be excluded from
138 operating expenses for purposes of rate-making.

139 Sec. 6. Subsection (j) of section 16-245 of the general statutes is
140 repealed and the following is substituted in lieu thereof (*Effective October*
141 *1, 2020*):

142 (j) No license may be transferred, and no customer may be assigned
143 or transferred, without the prior approval of the authority. Notice of the
144 assignment or transfer of a customer shall be provided to the authority
145 at least thirty days prior to the effective date of the assignment or

146 transfer of a customer from one electric supplier to another electric
 147 supplier. The authority may, upon its review of the notice, require
 148 certain conditions or deny assignment or transfer of the customer.
 149 Customer assignment or transfer shall be approved by the authority
 150 within thirty business days of the authority's receipt of notice from the
 151 electric supplier unless the authority and electric supplier agree to a
 152 specified extension of time. The authority may assess additional
 153 licensing fees to pay the administrative costs of reviewing a request for
 154 such transfer.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2020</i>	16-1(a)
Sec. 2	<i>October 1, 2020</i>	16-245o
Sec. 3	<i>October 1, 2020</i>	16-245o(h)(7)(A)
Sec. 4	<i>October 1, 2020</i>	16-245o(h)(1)
Sec. 5	<i>October 1, 2020</i>	16-41(a)
Sec. 6	<i>October 1, 2020</i>	16-245(j)

Statement of Purpose:

To (1) define "telesales call", "record" and "recording", (2) add requirements for electric suppliers regarding telesales calls and face-to-face marketing, to (3) permit the Public Utilities Regulatory Authority to order fines, restitution to customers or a combination of fines and restitution, and (4) prohibit the assignment or transfer of customers without prior approval of the authority.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]