

General Assembly

Raised Bill No. 5441

February Session, 2024

LCO No. 2519



Referred to Committee on ENERGY AND TECHNOLOGY

Introduced by:

(ET)

AN ACT CONCERNING UTILITY SHUTOFFS FOR CERTAIN CUSTOMERS.

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

- 1 Section 1. Subsection (b) of section 16-262c of the 2024 supplement to
- 2 the general statutes is repealed and the following is substituted in lieu
- 3 thereof (*Effective July 1, 2024*):
- 4 (b) (1) From November first to May first, inclusive, no electric
- 5 distribution company, as defined in section 16-1, no electric supplier and
- 6 no municipal utility furnishing electricity shall terminate, deny or refuse
- 7 to reinstate residential electric service in hardship cases where the
- 8 customer lacks the financial resources to pay his or her entire account.
- 9 From November first to May first, inclusive, no gas company and no
- 10 municipal utility furnishing gas shall terminate, deny or refuse to
- 11 reinstate residential gas service in hardship cases where the customer
- 12 uses such gas for heat and lacks the financial resources to pay his or her
- 13 entire account, except a gas company that, between May second and
- 14 October thirty-first, terminated gas service to a residential customer
- 15 who uses gas for heat and who, during the previous period of

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November first to May first, had gas service maintained because of hardship status, may refuse to reinstate the gas service from November first to May first, inclusive, only if the customer has failed to pay, since the preceding November first, the lesser of: (A) Twenty per cent of the outstanding principal balance owed the gas company as of the date of termination, (B) one hundred dollars, or (C) the minimum payments due under the customer's amortization agreement. Notwithstanding [any provision of the general statutes] the provisions of this subdivision, regardless of the month, no electric distribution or gas company, no electric supplier and no municipal utility furnishing electricity or gas shall terminate, deny or refuse to reinstate residential electric or gas service where: [the] (i) The customer is a hardship case and lacks the financial resources to pay his or her entire account; and [if] (ii) the termination, denial of or failure to reinstate such service would create a life-threatening situation for such customer or a member of such customer's household. [No] Notwithstanding the provisions of this subdivision, regardless of the month, no electric distribution or gas company, no electric supplier and no municipal utility furnishing electricity or gas shall terminate, deny or refuse to reinstate residential electric or gas service where: [the] (I) The customer is a hardship case and lacks the financial resources to pay his or her entire account; and (II) a child not more than twenty-four months old resides in the customer's household and such child has been admitted to the hospital and received discharge papers on which the attending physician, physician assistant or an advanced practice registered nurse has indicated such service is a necessity for the health and well-being of such child.

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(2) During any period in which a residential customer is subject to termination, an electric distribution or gas company, an electric supplier or a municipal utility furnishing electricity or gas shall provide such residential customer whose account is delinquent an opportunity to enter into a reasonable amortization agreement with such company, electric supplier or utility to pay such delinquent account and to avoid termination of service. Such amortization agreement shall allow such customer adequate opportunity to apply for and receive the benefits of

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- any available energy assistance program. An amortization agreement shall be subject to amendment on customer request if there is a change in the customer's financial circumstances.
 - (3) As used in this section: [,]

- (A) ["household income"] <u>"Household income"</u> means the combined income over a twelve-month period of the customer and all adults, except children of the customer, who are and have been members of the household for six months or more; [,] and
- (B) ["hardship case" includes, but is not limited to] "Hardship case" means: (i) A customer receiving local, state or federal public assistance; (ii) a customer whose sole source of financial support is Social Security, United States Department of Veterans Affairs or unemployment compensation benefits; (iii) a customer who is a head of [the] household and is unemployed, and [the household] such household's income is less than three hundred per cent of the poverty level determined by the federal government; (iv) [a customer who is seriously ill or who has a household member who is seriously ill; (v)] a customer whose income falls below one hundred twenty-five per cent of the poverty level determined by the federal government; and [(vi)] (v) a customer whose circumstances threaten a deprivation of food and the necessities of life for himself or dependent children if payment of a delinquent bill is required.
- (4) (A) Each gas company and electric distribution company shall deduct an arrearage from the account of a residential customer of such company if the customer (i) meets the income eligibility requirements of the Connecticut energy assistance program or state appropriated fuel assistance program; (ii) authorizes the gas or electric distribution company to send a copy of the customer's monthly bill directly to any energy assistance agency for payment; (iii) enters into and complies with an amortization agreement, which agreement is consistent with decisions and policies of the Public Utilities Regulatory Authority; and (iv) is eligible for financial hardship programs with the gas or electric

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distribution company. The amount of an arrearage deducted under this subparagraph shall be equal to the customer's monthly payment pursuant to an amortization agreement under this subdivision, provided the customer meets the requirements of subparagraphs (A)(i) to (A)(iv), inclusive, of this subdivision for the month immediately preceding such payment.

- (B) Each gas company and electric distribution company shall deduct an arrearage from the account of a residential customer who meets the requirements of subparagraphs (A)(i) to (A)(iv), inclusive, of this subdivision in an amount equal to any payment such customer receives from the Connecticut energy assistance program, state appropriated fuel assistance program or other energy assistance sources. Such deduction shall be in addition to any amount deducted pursuant to subparagraph (A) of this subdivision.
- (C) Notwithstanding the provisions of subdivision (7) of this subsection, any amortization agreement under this subdivision shall distribute customer payments over a period of twelve months, from November first to October thirty-first, and shall create a monthly payment that is affordable to the customer in accordance with the decisions and policies of the authority.
- (D) In no event shall the deduction of any amounts pursuant to this subdivision result in a credit balance to the customer's account. No customer shall be denied the benefits of this subdivision due to an error by the gas or electric distribution company. If the customer fails to comply with the terms of the amortization agreement, any decision of the authority rendered in lieu of such agreement or the requirements of subparagraphs (A)(i) to (A)(iv), inclusive, of this subdivision, the company may terminate service to the customer, pursuant to all applicable regulations, provided such termination shall not occur between November first and May first.
- 112 (E) Each gas and electric distribution company shall submit to the 113 Public Utilities Regulatory Authority annually, on or before June first,

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an implementation plan that shall include information concerning amortization agreements, counseling, reinstatement of eligibility, rate impacts and any other information deemed relevant by the authority. The Public Utilities Regulatory Authority may approve or modify such plan not later than one hundred twenty-seven days after receipt of the plan. If the authority does not take any action on such plan by such date, the plan shall automatically take effect at the end of such one-hundred-twenty-seven-day period, provided the authority may extend such period for an additional thirty days by notifying the company before the end of such one-hundred-twenty-seven-day period. The authority may deny all or part of the recovery of costs incurred pursuant to this subsection if it determines that the company seeking recovery has been imprudent, inefficient or acting in violation of statutes or regulations regarding amortization agreements.

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(5) (A) All electric distribution and gas companies, electric suppliers and municipal utilities furnishing electricity or gas shall collaborate in developing, subject to approval by the Public Utilities Regulatory Authority, standard provisions for the notice of delinquency and impending termination under subsection (a) of section 16-262d. Each such company and utility shall place on the front of such notice a provision that the company, electric supplier or utility shall not effect termination of service to a residential dwelling for nonpayment of disputed bills during the pendency of any complaint. In addition, the notice shall state that the customer is required to pay current and undisputed bill amounts during the pendency of the complaint. (B) At the beginning of any discussion with a customer concerning a reasonable amortization agreement, any such company or utility shall inform the customer (i) of the availability of a process for resolving disputes over what constitutes a reasonable amortization agreement, (ii) that the company, electric supplier or utility will refer such a dispute to one of its review officers as the first step in attempting to resolve the dispute, and (iii) that the company, electric supplier or utility shall not effect termination of service to a residential dwelling for nonpayment of a delinquent account during the pendency of any complaint,

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investigation, hearing or appeal initiated by the customer, unless the customer fails to pay undisputed bills, or undisputed portions of bills, for service received during such period. (C) Each such company, electric supplier and utility shall inform and counsel all customers who are hardship cases as to the availability of all public and private energy conservation programs, including programs sponsored or subsidized by such companies and utilities, eligibility criteria, where to apply, and the circumstances under which such programs are available without cost.

- (6) (A) The Public Utilities Regulatory Authority shall adopt regulations in accordance with the provisions of chapter 54 to carry out the provisions of this subsection. Such regulations shall include, but not be limited to, criteria for determining hardship cases and for reasonable amortization agreements, including appeal of such agreements, for categories of customers. Such regulations may include the establishment of a reasonable rate of interest that a company may charge on the unpaid balance of a customer's delinquent bill and a description of the relationship and responsibilities of electric suppliers to customers.
- (B) Not later than October 1, 2025, the authority shall amend the regulations adopted pursuant to subparagraph (A) of this subdivision, to carry out the provisions of subparagraph (B) of subdivision (3) of this subsection and subdivision (9) of this section.
- (7) The Public Utilities Regulatory Authority may find that a reasonable amortization agreement, other than a reasonable amortization agreement under subdivision (4) of this subsection, is a period of not more than thirty-six months, unless the authority determines that a longer period is warranted. [Not later than October 1, 2024, the authority shall amend any regulations adopted pursuant to subdivision (6) of this subsection to carry out the provisions of this subsection.]
- 178 (8) The chairperson of the Public Utilities Regulatory Authority may 179 distribute not more than one million dollars in total each year to

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- 180 organizations or individuals providing legal services with the express 181 purpose of attaining participation in public service company programs 182 designed to assist customers with utility bill or arrearage payments, 183 including negotiating a reasonable amortization agreement pursuant to 184 this subsection. Any funds distributed pursuant to this subdivision shall 185 be paid by all public service companies, in proportion to such 186 companies' annual load and the amount of services provided to end use 187 customers or revenue, as determined by the authority.
- 188 (9) An electric distribution or gas company, electric supplier or municipal utility furnishing electricity or gas may terminate, deny or 189 refuse to reinstate residential electric or gas service for nonpayment to 190 191 any customer who: (A) Is ill, (B) has a household member who is ill, (C) 192 has a life-threatening situation, or (D) has a household member who has 193 a life-threatening situation, unless such company is prohibited from terminating, denying or refusing to reinstate such service pursuant to 194 195 subdivision (1) of this subsection or subsection (b) of section 16-262d, as 196 amended by this act.
- Sec. 2. Subsection (b) of section 16-262d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1*, 2024):

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(b) No such company, electric supplier or municipal utility shall [effect termination of] terminate service for nonpayment [during such time as] while any resident of a dwelling to which such service is furnished is seriously ill, if: [the fact of such serious illness is certified to such company, electric supplier or municipal utility by] (1) Such resident is a hardship case, as defined in section 16-262c, as amended by this act; and (2) a registered physician, a physician assistant or an advanced practice registered nurse certifies the fact of such serious illness to such company, electric supplier or municipal utility within [such] a period of time after the mailing of a termination notice pursuant to subsection (a) of this section [as] that the Public Utilities Regulatory Authority [may] shall, by regulation adopted in accordance with the provisions of chapter 54, establish, provided the customer to which such

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service is billed agrees to amortize the unpaid balance of [his] such
customer's account over a reasonable period of time and keeps current
[his] such customer's account for utility service as charges accrue in each
subsequent billing period.

This act shall take effect as follows and shall amend the following		
sections:		
Section 1	July 1, 2024	16-262c(b)
Sec. 2	July 1, 2024	16-262d(b)

ET Joint Favorable

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