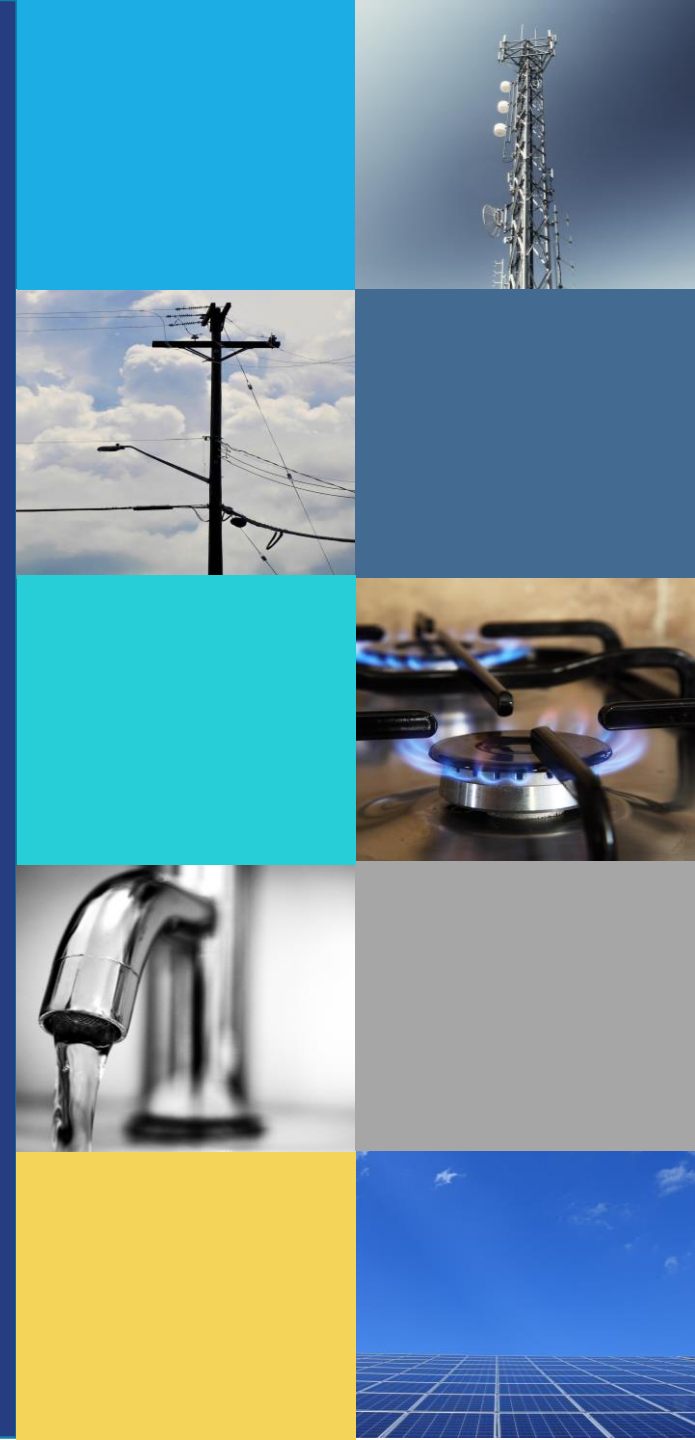


“The State Experience” Connecticut

March 5, 2024

UtilityCampus.com Virtual Conference Series

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Office of Education, Outreach & Enforcement (EOE)
Public Utilities Regulatory Authority (PURA)





Rate Board

Connecticut Overview



CONNECTICUT HAS OVER **1.6 MILLION HOUSEHOLDS AND BUSINESSES** SERVED BY REGULATED ELECTRIC COMPANIES.



IN 1998, CONNECTICUT **DEREGULATED** GENERATION OF THE NOW-TWO EDCS OPERATING IN THE STATE: **EVERSOURCE** (FORMERLY CONNECTICUT LIGHT & POWER) AND **UNITED ILLUMINATING** (SUBSIDIARY OF AVANGRID). RETAIL MARKETS OPEN IN 2000. (CONN. GEN. STAT. § 16-244)



AS OF DECEMBER 2022, AN ESTIMATED 7.5% OF CUSTOMERS ELECTED AN ALTERNATE SUPPLIER, MAKING UP 39% OF THE **GENERATED LOAD** STATEWIDE. HOWEVER, AS OF DECEMBER 2023, AN ESTIMATED 24% OF CUSTOMERS CHOSE AN ALTERNATE SUPPLIER, MAKING UP 52% OF THE GENERATED LOAD STATEWIDE.



THE RETAIL SUPPLIER **MARKET** AND RELATED REGULATORY OVERSIGHT HAS **EVOLVED** QUICKLY IN THE PAST SEVERAL YEARS.



PURA /EOE OVERSEES SUPPLIERS ACCESS TO THE CT MARKET, INCLUDING CUSTOMER SERVICE, MARKETING, AND **ACCESS** TO CT'S OFFICIAL **SUPPLIER MARKETPLACE** WWW.ENERGIZECT.COM.



CONSISTENT WITH THE OBJECTIVES OF THE AUTHORITY AND EOE, THE UNIT DEDICATES SIGNIFICANT **FOCUS TO VULNERABLE** AND LOW-INCOME **CUSTOMERS** (HARDSHIP) INCLUDING EFFORTS IN THE SUPPLIER SPACE.



Supplier Complaints to EOE's Consumer Affairs Unit (CAU)

Complaints primarily include slamming, misapplied rates, overcharging, and time to switch suppliers.

Electric Supplier Customer Complaints by Year (2018-2023)

Year	Total
2023	97
2022	155
2021	149
2020	204
2019	201
2018	417

Over \$250K returned directly to customers - supplier actions since 2022

Supplier-specific **complaints** investigated by EOE are on the **decline** but overall **inquires** are on the **rise**. Anecdotal evidence suggests:

- Investigation /enforcement dissuades “bad actors.”



Docket No. 22-11-01 – State of Market

[See Docket Report Here](#)

Known disparity and need for enforcement highlighted in the “snapshot” of the state of competition in Connecticut’s electric supplier market.



Latest Annual Report to the Legislature – The State of the Electric Competition (March 14, 2023). Required pursuant to section 16-245x(a) and § 16-245y(c) of Conn. Gen. Stat.

Due Annually before April 1.



Details EOE-led initiatives and actions against suppliers (var. dockets)

2022 \$9.1M Facilitated Settlements w/Suppliers



Report analyses variety of diverse indicators, to demonstrate the market’s effects on customers.

Inc. data on average generation service charge & Standard Service generation rates for residential and business customers

\$8.5 M directed to hardship arrearages & energy Assistance

14 supplier licenses relinquished/ 1 revoked

Table 5

Eversource Energy and United Illuminating Electric Suppliers - MWh Load & Customer Count Data Year-End Snapshot as of December 31, 2022								
Electric Supplier	Eversource Customer Count by Class				% of Supplier Customers	UI Customer Count by Class		
	Residential	Business	Total	Residential		Business	Total	% of Supplier Customers
1 ACTUAL ENERGY, INC.	20	28	48	0.0%	0	1	1	0.0%
2 CALPINE ENERGY SOLUTIONS	30	5,022	5,052	4.1%	109	2,511	2,620	6.0%
CATALYST POWER & GAS LLC	12	62	74	0.1%	0	17	17	0.0%
CHAMPION ENERGY SERVICES	191	160	351	0.3%	5	166	171	0.4%
CONSTELLATION NEWENERGY C&I	2,958	10,957	13,915	11.2%	1,241	4,815	6,056	13.9%
CONSTELLATION NEWENERGY CKSP	0	1	1	0.0%	0	0	0	0.0%
CONSTELLATION NEWENERGY RES	41,968	1,870	43,838	35.2%	16,020	960	16,980	38.9%
DIRECT ENERGY BUSINESS, LLC	1,239	4,132	5,371	4.3%	217	1,514	1,731	4.0%
DIRECT ENERGY SERVICES, LLC	20,574	2,288	22,862	18.4%	4,030	1,085	5,115	11.7%
EDF ENERGY SERVICES, LLC	282	1,258	1,540	1.2%	0	223	223	0.5%
ELIGO ENERGY CT, LLC	130	1,674	1,804	1.4%	12	156	168	0.4%
ENERGY PLUS HOLDINGS LLC	43	35	78	0.1%	31	8	39	0.1%
ENGIE RESOURCES	2,386	4,191	6,577	5.3%	680	1,172	1,852	4.2%
FIRST POINT POWER, LLC	1,322	799	2,121	1.7%	141	137	278	0.6%
MAJOR ENERGY ELECTRIC SERVICES, LLC	2,032	154	2,186	1.8%	1,162	96	1,258	2.9%
MEGA ENERGY OF NEW ENGLAND LLC	5	367	372	0.3%	0	7	7	0.0%
IMP2 ENERGY NE LLC	20	419	439	0.4%	2	200	202	0.5%
NEXTERA ENERGY SERVICES CONN	457	2,608	3,065	2.5%	49	700	749	1.7%
NORTH AMERICAN POWER AND GAS LLC	4,391	149	4,540	3.6%	1,801	62	1,863	4.3%
ORIG RETAIL SOLUTIONS	50	141	191	0.2%	70	13	83	0.2%
TEXAS RETAIL ENERGY, LLC	0	28	28	0.0%	0	11	11	0.0%
THINK ENERGY	78	82	160	0.1%	46	54	100	0.2%
TOWN SQUARE ENERGY	5,598	276	5,874	4.7%	2,071	60	2,131	4.9%
VERDE ENERGY USA, Inc.	0	0	0	0.0%	1	0	1	0.0%
WATTIFI INC	49	37	86	0.1%	27	16	43	0.1%
XOOM ENERGY CONNECTICUT LLC	3,430	522	3,952	3.2%	1,646	321	1,967	4.5%
Total All Suppliers	87,265	37,260	124,525	100.0%	29,361	14,305	43,666	100.0%

*The customer counts are as of month end and do not reflect pending enrollments.

Source: Eversource & UI December Compliance Filing in Docket No. 08-10-22



Docket 18-06-02RE01 : Customers often Lose

[See Two-Year Review Here](#)

Required Investigation into supplier practices; study of data over five years showing negative returns to most customers and disparate impact low-income households.

Median Income Less than \$50,000		
Year	Overpayment	Ave. Premium / kWh
2017	\$5,734,907	\$0.019
2018	\$4,713,569	\$0.015
2019	\$4,131,863	\$0.016
2020	\$3,103,947	\$0.016
2021	\$2,959,304	\$0.021

Report Conclusion (February 2023)

“...The supplier market was created for the financial benefit of customers, and it has proven itself an unrelenting source of overpriced products. The continued overpayment for electricity supply drains customers and communities of finite financial resources and renders Connecticut’s already high electric prices unbearable. The market has demonstrated that without regulatory intervention it is unable to function in a manner that does not harm residential customers, and, as a result, the Authority must impose conditions to ensure the market inures to the benefit of residential customers.”

Findings Include

- Overall, customers with a supplier paid more for service than if they had remained with Utility Standard Service over the five year period of 2017-2021.
- Suppliers guaranteed payment; burden shared by all rate payers.
- Impact on Low Income customers /areas especially profound due to relative income. Customers overpay for benefits they cannot access.
- Approximately 2/3 of residential customers contracting with suppliers paid more than the standard service rate.
- Overpayment occurred during each six-month standard service period and for all five years in aggregate.
- Average annual overpayment \$30.2 million per year, or \$151 million over the five-year period.

Continued Legislative & Regulatory action is required...



Working to ensure CT's energy supplier market is increasingly responsive, accessible, equitable and transparent.

Supplier Program Review

- [18-06-02RE01, Two Year Review Requires Pursuant to Conn. Gen. Stat § 16-245 O\(M\)](#); regarding **suppliers' rates charged to residential customers** from January 2017 through December 2021. (Conn. Gen. Stat. § 16-245(a). (Released Feb 2023)
- **Led to a series of actions** involving suppliers/shifts in legislation and regulatory oversight; reflect issues also reported DN 22-11-01.

Legislative & Regulatory Action

- [DN 18-06-02RE02, investigation of Appropriate Limitations on All Customer Contracts with Electric Suppliers Pursuant to Conn. Gen. Stat. § 16-245o\(m\)](#)
- **Implementation of [Public Act 23-102 \(SB7\)](#).** (2023)
- **Lifts 2020 restrictions on designated hardship customers** (DN.18-06-02) entering the residential retail market.

Equitable Modern Grid

- [Docket No. 17-12-03RE11, PURA Investigation into Distribution System Planning of Electric Distribution Companies – New Rate Designs and Rates Review](#),
- **Low Income Discount Rate (LIDR) implemented** starting **December 2023**.
- Part of efforts to ensure that low-income customers not bear disproportionate costs vs benefits.



