

Testimony of Tom Swan  
Executive Director of the Connecticut Citizen Action Group (CCAG)  
September 8, 2020

Before the Energy and Technology Committee

On LCO 3920

**AN ACT CONCERNING EMERGENCY RESPONSE BY ELECTRIC DISTRIBUTION COMPANIES AND REVISING THE REGULATION OF OTHER PUBLIC UTILITIES.**

Senator Needleman and Representative Arconti, and other members of the Insurance and Real Estate Committee, my name is Tom Swan and I am the Executive Director of the Connecticut Citizen Action Group (CCAG). I am submitting today's testimony on behalf of our thousands of members statewide.

Thank you for the opportunity to comment on LCO 3920 ***AN ACT CONCERNING EMERGENCY RESPONSE BY ELECTRIC DISTRIBUTION COMPANIES AND REVISING THE REGULATION OF OTHER PUBLIC UTILITIES.*** I have to say that this feels a bit like Bill Murray in Groundhog Day.

In 2012 legislation was passed that promised to do some of the same things that this proposal is purporting to accomplish in terms of holding the utilities accountable for extended power losses. We believe PURA does have the authority to access significant penalties on Eversource and United Illuminating and they should use it now.

These companies would not spend over a million dollars a year lobbying if they did not view it as a profitable investment. We would argue they have gotten a very good rate of return and ratepayers continue to get screwed.

We would like to think that the recent double whammy of a ludicrous rate increase combined with horrendous storm response would result in real structural change and of serious rethinking of the investor owned utility model. The fact that the leadership of the legislature has not been demanding the Governor appoint a strong independent Consumer Counsel during this time to advocate on behalf of rate payers has us worried that this could be more about providing legislative cover during an election year cover rather than real change.

As for specific components of 3920:

- CCAG generally supports the idea of performance-based regulation in sections 1-4, but worry about the possible unintended consequences where the utilities could game the process at the further expense of ratepayers. We think a more thorough analysis that looks at a broader range of options and offers more specifics on how the performance would be implemented makes sense. The broader analysis should include a review of alternatives to investor owned EDCs including a public entity and incentivizing the development of more municipal utilities. What we do needs to reinforce our long-term

goals in terms of climate change and should emphasize the expansion of micro grids and utilization of increase storage combined with renewable energy.

- We support the idea in section five of studying ways to reduce rates, especially for lower income residents.
- We support the concepts included in sections 11 and 12 that can help ratepayers recover costs for the loss of food and medicine as a result of extended power outages.
- We endorse the proposals in sections 15, 17 and 18 that offer consumers protections from third party suppliers.
- We support section 16 in that it calls for a study of the wholesale energy market and our participation in ISO. As mentioned, before we think a public entity instead of an investor owned EDC is something that deserves further study. Having said that we have concerns about the DEEP driven studies regarding our renewable and conservation programs.

Additional items that we think there are things to add to the proposed legislation. This includes:

- Eliminate PURA's authority to enact a pipeline tax on ratepayers for future possible pipelines.
- Extend the net Residential Solar Investment Program by 100 MW.
- Revisit the flawed and costly Millstone rip off that was a significant part the recent rate increase. As the scandals in Illinois and Ohio have shown, the nuclear industry cannot be trusted when it comes to public policy.

Thank you for your time.