

Government Administration and Elections Committee

JOINT FAVORABLE REPORT

Bill No.: SB-1531

AN ACT CONCERNING PUBLIC UTILITY TRANSPARENCY AND
ACCOUNTABILITY AND PROCEEDINGS OF THE PUBLIC UTILITIES

Title: REGULATORY AUTHORITY.

Vote Date: 3/26/2025

Vote Action: Joint Favorable Substitute

PH Date: 3/24/2025

File No.:

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SPONSORS OF BILL:

Government Administrations and Elections Committee

REASONS FOR BILL:

There has been a growing concern over the rising cost of energy rates in Connecticut and demand for more transparency within governmental entities. There have been concerns with how these public utility companies have operated since they have a perceived monopoly over life essential services to the constituents of this state. This bill would seek to put forward several regulations to ensure that the companies and their subgroups regulated by the Public Utility Regulation Authority (PURA) are subject to more transparency so the public can hold them accountable for their actions. There are also concerns about the further consolidation of these essential life services and this bill would seek to ensure that there are guardrails against excessive consolidations to prevent a decrease in the quality of service or increase in rates.

SUBSTITUTE LANGUAGE:

The substitute language removes provisions on the PURA commissioner eligibility, cooling off period and conflict of interests. There were concerns over how some of the provisions governing the regulation of the commissioner would interact with the term of the commissioner. The language also requires that the Auditors of Public Accounts hire an additional auditor because they stated in their testimony that since they are unsure of the scop, they are not sure if they had the requisite resources to perform said audits.

RESPONSE FROM ADMINISTRATION/AGENCY:

John Geragosian, Craig Miner, State Auditors, Auditors of Public Accounts:

Section 3 requires us to audit the Home Energy solutions Audit Program biennially. The bill does not specify the objective or scope of these audits. Without understand the goals we can't perform the work or possess the necessary resources. Our office could review the oversight of this program independently. We perform these reviews with our regular audit work.

NATURE AND SOURCES OF SUPPORT:

Claire Coleman, Consumer Council,

As the advocate for regulated utility customers who represent the interests of utility customers, we have an interest in maintaining transparency and accountability of PURA and regulated utilities. While we did not have the opportunity to work with the Committee on this bill, we support the effort and provide comment on sections in our testimony.

Cary Lynch, Energy Policy Manager, The Nature Conservancy in Connecticut:

With some of the highest electricity rates in the nation, this bill is a critical step towards clean, sustainable, and affordable energy. We support most sections of the bill but strongly endorse the intent of Section 16. This section has the most potential to reduce rates by promoting grid enhancing and energy efficient technologies. When modernizing our electric grid, Connecticut should prioritize the Advanced Metering Infrastructure. We suggest strengthening the language of Section 16.

Tom Swan, Executive Director, Connecticut Citizens Action Group:

We offer our support of this bill and appreciate you raising the bill, especially Section 1. Avangrid's parent company is now private, and the additional transparency, accountability, and ethics components are needed. We suggest adding a study that would investigate issues related to the changes from the bill. This needs to be adequately thought through to ensure we have a thorough review.

Others supporting the bill:

Beverly Allen
Linda Dalessio
D. Christina

NATURE AND SOURCES OF OPPOSITION:

Paul Amarone, Public Policy Associate, Connecticut Business & Industry Assoc.:

We oppose Section 1 and believe no private company should be subjected to the requirements of the Freedom of Information Act or redefined as a "public agency". Utilities are under PURA and are privately owned but by classifying them as an "agency" this sets the precedent to classify other privately held companies as "public agencies." The CBIA has concerns with Section 10 because it is a government overreach that can have a negative impact on a business's ability to make financial decisions. Section 11 adds increased legal liability and costs. Many of the provisions in this bill will negatively impact grid reliability and raise costs for ratepayers.

David Griggs, President/CEO, MetroHartford Alliance:

We are expressing our concerns with specific sections of this bill. We have given our testimony on Section 1, 2, 13, and 14 and we urge removal of these sections from the bill. We do support transparency and accountability, but we believe they can be achieved through existing regulatory structures.

Thomas Sheridan, President, Chamber of Commerce of Eastern Connecticut:

Several of the provisions in this bill threaten business operations, increase costs, and undermine economic development on Connecticut. In our testimony we have shown our opposition to Sections 1, 2, 13, and 14. We urge rejection of these provisions.

Elizabeth Gara, Executive Director, Connecticut Water Works Association:

We oppose Sections 1 and 2 of the bills. These sections will place a burden on public water companies and threaten the safety to Connecticut's drinking water supplies. They create confusion as to existing exemptions to public service companies. CWWA urges opposition.

Doug Horton, Vice President, Vincent Pace, Assistant General Counsel, Eversource:

Section 1 proposes to amend general statutes that could trigger a series of inadvertent consequences not yet considered. Subjecting investor-owned utilities to FOIA is a lesser power than PURA. No examination has been conducted on the type of information exempted from FOIA to protect customers and the public. Section 2 covers the cost for Section 1. Included in our testimony are the problems we have with Sections 10 and 11 and why they do not work from a practical, mathematical perspective. Section 12 is unclear but appears, after October 1, 2025, to prohibit from filing an application with PURA seeking permission to have control over another Connecticut based electric or natural gas public service company. Section 13 and 14 unnecessarily increases costs for consumers, reduces efficiency, and infringes on protected property rights. Section 16 and 17 are problematic because the terms are vague and undefined that proposes to amend the billing statute.

Anna Lucey, Executive Vice President, NECTA:

We have concerns with the bill and suggest the following amendment to the bill:
"Any electric distribution (public service) company, as defined in section 16-1, with 21 more than two hundred thousand customers in the state, with respect 22 to any portions of its businesses under the regulations of the Public Utilities 23 Regulatory Authority."

Sara Mendillo, Government Affairs, Middlesex Chamber of Commerce:

As an organization supporting businesses and economic development, we oppose the provisions in this bill. We do not oppose the bill in its entirety, but we have specific concerns with Sections 1 and 13. Expanding FOIA to businesses opens the door for imposing similar requirements to other private businesses. Subjecting private businesses to FOIA obligations goes beyond the underlying intent of FOIA laws. We recommend Sections 1 and 2 be removed from the bill. Section 13 prohibits individuals, firms, or corporations from owing electric distribution companies and gas companies. Legislation should not be dictating the structure or business models of private companies. We recommend Section 13 and the related provisions in Section 14 be removed from the bill.

Tony Sheridan, President, Chamber of Commerce of Eastern Connecticut:

The provisions in Sections 1, 2, 13, and 14 threaten business operations, increases costs, and undermines economic development in Connecticut. We urge rejection of these provisions

to preserve efficiencies and property rights. The bill imposes excessive regulatory burdens. Instead of punitive measures, we recommend reducing costs for businesses, encourage investments, and streamline regulations. Utility companies play a vital role in the economy, and we should be working with them, not against them.

Ryan Wolfe, UIL Holding Corporation:

We have presented extensive testimony as to why we oppose Sections 1, 2, 10, 11, 12, 13, 16, and 17 in the bill. Included are the contacts of our State Government Relations team for more information.

GENERAL COMMENTS:

Kat Burnham, Advanced Energy United:

Advanced Energy United represents the full range of advanced energy technologies and services. We lower consumer costs, create jobs, and provide clean, reliable energy. Section 16 elevates GETs as the demand for electricity increases. GETs help reduce system costs and optimize our energy system.

Reported by: Pamela Bianca

Date: March 25, 2025