



General Assembly

January Session, 2025

**Committee Bill No. 6048**

LCO No. 5115



Referred to Committee on GENERAL LAW

Introduced by:  
(GL)

***AN ACT CONCERNING REFUNDS FOR UNUSED HEATING FUEL.***

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

1 Section 1. Subsections (a) to (i), inclusive, of section 16a-21 of the  
2 general statutes are repealed and the following is substituted in lieu  
3 thereof (*Effective July 1, 2025*):

4 (a) (1) (A) No heating fuel dealer shall sell heating fuel or rent or lease  
5 a heating fuel tank without a written contract that contains all terms and  
6 conditions for delivery of such heating fuel and the amount of fees,  
7 charges, surcharges or penalties allowed under this section and assessed  
8 to the consumer under such contract. No such contract shall contain any  
9 fees, charges, surcharges or penalties, except for those allowed pursuant  
10 to subsections (e), (f) and (g) of this section and for tank rental fees or  
11 liquidated damages for violation of the contract terms. No contract for  
12 the delivery of heating fuel under this subsection shall include a  
13 provision for liquidated damages for a consumer breach of such contract  
14 where the liquidated damages exceed the actual damages to the heating  
15 fuel dealer caused by such breach. No written contract period for  
16 heating fuel shall be for a term longer than thirty-six months. Each  
17 heating fuel dealer shall offer consumers the option to enter into a bona

18    fide commercially reasonable contract for a term of eighteen months. A  
19    consumer and a heating fuel dealer may agree to enter into a bona fide  
20    commercially reasonable contract for a term of less than eighteen  
21    months. Longer fuel contract term lengths may be permitted for  
22    underground tank consumers, provided the fuel term agreements are  
23    concurrent with tank lease agreements as specified in subdivision (2) of  
24    this subsection. No provision in a contract that restricts a consumer's  
25    ability to utilize another propane fuel provider shall be valid or  
26    enforceable unless the consumer has initialed a clear and conspicuous  
27    statement in all capital letters in at least twelve-point boldface type  
28    indicating that the consumer is aware of such restriction.

29        (B) A heating fuel dealer who leases or lends, or who leased or lent, a  
30    heating fuel tank and associated equipment to a consumer shall remove  
31    such tank and associated equipment from the consumer's residential  
32    premises not later than thirty days after the delivery of heating fuel  
33    service is discontinued by the consumer.

34        (2) If a tank is being leased or lent to a consumer, a contract for the  
35    tank rental or loan shall indicate in writing a description of the tank,  
36    initial installation charges, if any, the amount and timing of rental or  
37    loan payments, the [manner in] period within which the lessor [will  
38    credit] shall refund the lessee for any unused heating fuel and the terms  
39    by which [a] the lessee may terminate the contract. Such refund shall be  
40    in an amount that is equal to the lesser of the price at which the lessee  
41    purchased such unused heating fuel or the market price of such unused  
42    heating fuel upon termination of such contract. A lessor may enter into  
43    a separate contract with the lessee for additional services including, but  
44    not limited to, maintenance, repair and warranty of equipment,  
45    provided such contract complies with the provisions of this section. No  
46    contract for tanks installed above ground shall be for a term longer than  
47    thirty-six months. Each consumer shall be given the option to enter into  
48    a bona fide commercially reasonable contract for a term of eighteen  
49    months. A lessee and a lessor may agree to enter into a bona fide  
50    commercially reasonable contract for a term of less than eighteen

51 months. No contract for a tank installed underground shall exceed five  
52 years.

53 (3) (A) If a tank installed underground is provided to a consumer, a  
54 contract for such tank shall contain a clause providing the consumer  
55 with the option to purchase the tank and associated equipment at a price  
56 not exceeding a commercially reasonable price at any time during the  
57 length of the contract. The purchase price for the tank shall be disclosed  
58 in the contract and shall not increase before the contract expires. Any  
59 waiver of liability or transfer of warranty shall be stated in the contract.  
60 No contract for such tank shall be valid or enforceable unless the  
61 consumer has initialed a clear and conspicuous statement in all capital  
62 letters in at least twelve-point boldface type, indicating the consumer is  
63 aware of such option to purchase the tank and associated equipment.  
64 For existing contracts, whether oral or written, where the purchase  
65 option or purchase price is silent or unspecified, a contract addendum  
66 including the purchase option and a commercially reasonable price shall  
67 be mailed or delivered to the consumer not later than September 1, 2013.  
68 Such contract addendum shall contain a clause providing the lessee  
69 with the option of purchasing the tank and associated equipment at any  
70 time prior to September 1, 2018. Upon purchase of the tank and any  
71 associated equipment, any existing contract obligations pursuant to  
72 subdivisions (1) and (2) of this subsection shall terminate immediately,  
73 except for guaranteed price plans pursuant to chapter 296a.

74 (B) If a tank installed above ground is provided to a consumer, a  
75 contract for such tank shall contain a clause providing the consumer  
76 with the option to purchase a new tank and associated equipment at a  
77 price not exceeding a commercially reasonable price at any time during  
78 the length of the contract. The purchase price for the tank, associated  
79 equipment and associated installation charges shall be disclosed in the  
80 contract and not increase before the contract expires. Any waiver of  
81 liability or transfer of warranty shall be stated in the contract. No  
82 contract for such tank shall be valid or enforceable unless the consumer  
83 has initialed a clear and conspicuous statement in all capital letters in at

84 least twelve-point boldface type, indicating that the consumer is aware  
85 of such option to purchase a new tank and associated equipment. Upon  
86 purchase of the tank and any associated equipment, any existing  
87 contract obligations pursuant to subdivisions (1) and (2) of this  
88 subsection shall terminate immediately, except for guaranteed price  
89 plans pursuant to chapter 296a.

90 (4) A contract required by this section shall be in writing and shall  
91 comply with the plain language requirements of section 42-152,  
92 provided any fee, charge, surcharge or penalty disclosed in such  
93 contract shall be in twelve-point, boldface type of uniform font. Any fee,  
94 charge, surcharge or penalty shall not increase prior to the expiration of  
95 the contract.

96 (5) A written contract for the sale of heating fuel or lease of equipment  
97 that calls for an automatic renewal of the contract is not valid unless  
98 such contract complies with the provisions of this section, section 42-  
99 126b and chapter 296a.

100 (6) The requirement that contracts be in writing pursuant to this  
101 section shall not apply to any heating fuel delivery initiated by a  
102 consumer, payable on delivery or billed to the consumer with no future  
103 delivery commitment, where no fee, charge, surcharge or penalty is  
104 assessed, except for any fee, charge or surcharge authorized under  
105 subsection (g) of this section.

106 (7) The requirement that contracts be in writing pursuant to this  
107 section shall not apply to agreements that are solely automatic delivery  
108 where: (A) The consumer may terminate automatic delivery at any time  
109 and where no fee, charge, surcharge or penalty is assessed for  
110 termination; and (B) the dealer providing automatic delivery provides  
111 written notice to the consumer the dealer serves under automatic  
112 delivery of the method for the termination of automatic delivery, as  
113 specified in this subdivision. Such written notice shall be included with  
114 each invoice for products subject to automatic delivery. Notice from a  
115 consumer to a dealer requesting termination of automatic delivery may

116 be delivered to the dealer by (i) a written request by the consumer  
117 delivered by certified mail to the dealer, (ii) electronic mail sent from the  
118 consumer to a valid electronic mail address of the dealer, or (iii)  
119 electronic facsimile by the consumer to be sent to a valid facsimile  
120 number at the dealer's place of business. The consumer shall give notice  
121 at least one day prior to the day upon which the consumer desires to  
122 terminate automatic delivery. The consumer shall not be responsible for  
123 payment of deliveries made by the dealer after such notice has been  
124 given, except for deliveries made within one business day after such  
125 notice has been given and which were scheduled for delivery by the  
126 dealer prior to such notice being given, provided consideration shall be  
127 given for weekend and holiday closings or extenuating circumstances  
128 not under the control of the dealer.

129 (b) If a consumer complaint is being mediated or investigated by the  
130 commissioner, the heating fuel dealer, if [it] the heating fuel dealer owns  
131 the tank and has exclusive fill requirements, may not deny the consumer  
132 deliveries of heating fuel, or fuel for cooking or power generation,  
133 because of the existence of the mediation or investigation, provided the  
134 heating fuel dealer remains the exclusive supplier of such fuel and the  
135 consumer pays cash for such fuel upon delivery.

136 (c) The requirement that contracts be in writing as set forth in this  
137 section may be satisfied pursuant to the provisions of: (1) The  
138 Connecticut Uniform Electronic Transactions Act, sections 1-266 to 1-  
139 286, inclusive; (2) sections 42a-7-101 to 42a-7-106, inclusive; or (3) the  
140 Electronic Signatures in Global and National Commerce Act, 15 USC  
141 7001 et seq. Except as provided in subsection (d) of this section, verbal  
142 telephonic communications shall not satisfy the writing requirement of  
143 this section.

144 (d) The requirement that contracts be in writing pursuant to this  
145 section and section 16a-23n may be satisfied telephonically, only if a  
146 heating fuel dealer:

147 (1) Has provided to the consumer prior to any telephonic

148 communication all terms and conditions of the contract, in writing,  
149 except for the contract duration, the unit price and the maximum  
150 number of units covered by the contract;

151 (2) Employs an interactive voice response system or similar  
152 technology that provides the consumer with the contract duration, the  
153 unit price and the maximum number of units covered by the contract;

154 (3) Retains for a period of not less than one year from the date of the  
155 expiration of the contract, in a readily retrievable format, a recording of  
156 the consumer affirmation to each such term and condition;

157 (4) Sends the consumer a letter confirming the consumer's agreement  
158 to such terms and conditions, with a written copy of the terms and  
159 conditions agreed to; and

160 (5) Retains a copy of each such letter.

161 (e) No heating fuel dealer shall deliver heating fuel without placing  
162 the unit price, clearly indicated as such, the total number of gallons or  
163 units sold and the amount of any fee, charge or surcharge allowed  
164 pursuant to this section in a conspicuous place on the delivery ticket  
165 given to the consumer or an agent of the consumer at the time of  
166 delivery. No heating fuel dealer shall bill or otherwise attempt to collect  
167 from any consumer of heating fuel an amount that exceeds the unit price  
168 multiplied by the total number of gallons or units stated on the delivery  
169 ticket, plus the amount of any fee, charge or surcharge allowed pursuant  
170 to this section and stated on the delivery ticket.

171 (f) No heating fuel dealer shall assess a fee, charge or surcharge on  
172 any delivery, including, but not limited to, any delivery under an  
173 automatic delivery agreement, initiated by the dealer to a consumer.

174 (g) No heating fuel dealer shall assess a fee, charge or surcharge on  
175 the price per gallon or total delivery charge for any heating fuel delivery  
176 initiated by a consumer, except when:

- 177 (1) The heating fuel delivery is less than one hundred gallons;
- 178 (2) The heating fuel delivery is made outside the normal service area  
179 of the dealer;
- 180 (3) The heating fuel delivery is made outside the normal business  
181 hours of the dealer; or
- 182 (4) The dealer incurs extraordinary labor costs for the heating fuel  
183 delivery.
- 184 (h) Except for the underground tank addendum required pursuant to  
185 subdivision (3) of subsection (a) of this section, the provisions of this  
186 section shall not apply to existing customers of a heating fuel dealer on  
187 July 1, 2013, who have valid written contracts on said date. The  
188 provisions of this section shall apply as of the renewal or expiration  
189 dates of such contracts.
- 190 (i) A consumer shall have the right to cancel the consumer's  
191 relationship with a heating fuel dealer without penalty for an above-  
192 ground tank that is lent or leased if such relationship is based upon  
193 either an oral agreement or a course of dealing. No tank removal charge  
194 or forfeiture of unused heating fuel shall be permitted if a consumer  
195 cancels such relationship. The consumer shall be entitled to a refund [of]  
196 for all unused heating fuel [at the same] in an amount that is equal to  
197 the lesser of the price at which the consumer purchased such unused  
198 heating fuel or the market price of such unused heating fuel upon  
199 cancellation of such relationship.

This act shall take effect as follows and shall amend the following sections:

|           |              |                  |
|-----------|--------------|------------------|
| Section 1 | July 1, 2025 | 16a-21(a) to (i) |
|-----------|--------------|------------------|

**Statement of Purpose:**

To provide that a consumer shall be entitled to a refund for unused heating fuel in an amount that is equal to the lesser of (1) the price at

which the consumer purchased such heating fuel, or (2) the market price of such heating fuel upon (A) termination a tank rental or loan contract, or (B) cancellation of the consumer's relationship with a heating fuel dealer.

*[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.]*

Co-Sponsors: REP. NUCCIO, 53rd Dist.

H.B. 6048