



House of Representatives

General Assembly

File No. 375

February Session, 2026

Substitute House Bill No. 5245

House of Representatives, April 2, 2026

The Committee on Energy and Technology reported through REP. STEINBERG of the 136th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING MUNICIPAL ELECTRIC AGGREGATION PROGRAMS.

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

1 Section 1. (NEW) (*Effective October 1, 2026*) (a) As used in this section:

2 (1) "Authority" means the Public Utilities Regulatory Authority;

3 (2) "Auto-enroll customer" means an eligible customer automatically
4 enrolled in a municipal aggregation program unless such customer opts
5 out of such enrollment. "Auto-enroll customer" does not include any
6 customer who (A) has informed the electric distribution company such
7 customer does not want such customer's account information shared
8 pursuant to subsection (a) of section 16-245o of the general statutes, (B)
9 receives electric supply service from an electric supplier and does not
10 receive standard service from an electric distribution company, (C) is a
11 hardship case for purposes of subdivision (3) of subsection (b) of section
12 16-262c of the general statutes, (D) has arrearages deducted from the

13 customer's bills by an electric distribution company pursuant to
14 subdivision (4) of subsection (b) of section 16-262c of the general
15 statutes, (E) receives financial assistance from an electric distribution
16 company, or (F) is otherwise protected by law from the shutoff of
17 electric supply service;

18 (3) "Comma-separated value format" means an electronic file format
19 that separates data fields containing numeric or textual values using one
20 or more specific characters such that the document may be easily
21 searched by electronic means;

22 (4) "Community demand response incentive" means an incentive
23 designed to promote changes in electricity usage by electric customers
24 in response to: (A) Changes in the price of electricity over time,
25 including, but not limited to, time-varying rates; or (B) times when the
26 wholesale price for electric supply is abnormally high or when the
27 reliability of the electric grid is jeopardized;

28 (5) "Consultant" means any person or entity retained by a
29 municipality, or two or more municipalities acting jointly, to assist with
30 the development of a municipal aggregation plan and the operations of
31 a public aggregator;

32 (6) "Customer communications" means any communication from a
33 public aggregator to any electric customer concerning the
34 implementation of a municipal aggregation plan or program;

35 (7) "Electric customer" means the customer of record for an account,
36 regardless of customer class, with an electric distribution company;

37 (8) "Electric distribution company" has the same meaning as
38 provided in section 16-1 of the general statutes;

39 (9) "Electric supplier" has the same meaning as provided in section
40 16-1 of the general statutes;

41 (10) "Eligible customer" means any electric customer within a
42 municipal aggregation service area who receives standard service from

43 an electric distribution company and who meets the participation
44 requirements of a municipal aggregation plan and program pursuant to
45 the provisions of this section;

46 (11) "Energy product" means an electric supply product, including
47 community distributed generation, or a community demand response
48 incentive offered by the public aggregator to a program participant;

49 (12) "Municipal aggregation plan" or "plan" means the plan that a
50 municipality, or two or more municipalities acting jointly, that describes
51 the administration of the municipal aggregation program and is
52 submitted to the authority for review and comment;

53 (13) "Municipal aggregation program" or "program" means a
54 program established by a municipality, or two or more municipalities
55 acting jointly, pursuant to a municipal aggregation plan, under which
56 the municipality or municipalities procure electric supply, community
57 distributed generation or community demand response incentives on
58 behalf of program participants;

59 (14) "Municipal aggregation service area" means the geographic area
60 that receives, or is proposed to receive, services under a municipal
61 aggregation program;

62 (15) "Municipality" means any town, city or borough, whether
63 consolidated or unconsolidated;

64 (16) "Opt-out notice" means the notice sent to any auto-enroll
65 customer to inform such customer of such customer's right to opt out of
66 such enrollment;

67 (17) "Program participant" or "participant" means an eligible
68 customer who is participating in a municipal aggregation program;

69 (18) "Program supplier" means a licensed electric supplier that
70 provides energy products to participants of the municipal aggregation
71 program;

72 (19) "Public aggregator" means a municipality, or two or more
73 municipalities acting jointly, under a municipal aggregation program
74 established pursuant to this section for the purpose of grouping
75 residential and commercial electric customers receiving standard
76 service from an electric distribution company to solicit bids, broker and
77 contract for electric supply, community distributed generation or
78 community demand response incentives for such customers;

79 (20) "Standard service" means the electric generation service that an
80 electric distribution company provides to electric customers in the
81 electric distribution company's service territory pursuant to subsection
82 (a) of section 16-244c of the general statutes; and

83 (21) "Voluntary energy product" means any energy product offered
84 under a municipal aggregation program that a participant of such
85 program shall receive only if such participant affirmatively selects to
86 receive such product.

87 (b) A municipality, or two or more municipalities acting jointly, may
88 form a public aggregator pursuant to a municipal aggregation program.
89 Any such public aggregator may enter into agreements for services to
90 facilitate the sale and purchase of energy products, including renewable
91 energy certificates. A public aggregator may enter into a contract on
92 behalf of a municipal aggregation program. A public aggregator shall
93 not be considered a public service company as defined in section 16-1 of
94 the general statutes, and providing energy products to electric
95 customers within a municipal aggregation service area shall not be
96 considered a wholesale utility transaction.

97 (c) A municipality may establish a municipal aggregation program
98 and create a public aggregator upon the (1) affirmative vote of the
99 legislative body of such municipality, and (2) approval of the chief
100 executive officer of such municipality, provided such municipality has
101 complied with the requirements of subdivision (1) of subsection (d) of
102 this section. Two or more municipalities may jointly establish a
103 municipal aggregation program and create a public aggregator,
104 provided each municipality shall authorize the establishment of such

105 program and such aggregator by the vote and approval required in
106 subdivisions (1) and (2) of this subsection in each municipality.

107 (d) (1) Prior to the affirmative vote and approval required to establish
108 a municipal aggregation program and create a public aggregator
109 pursuant to subsection (c) of this section, the municipality, or
110 municipalities acting jointly, shall develop a municipal aggregation plan
111 for review by the electors of such municipality or municipalities that
112 details the process for, and consequences of, electric load aggregation
113 under such plan. Each municipality shall allow for a public review
114 period of not less than thirty days for such plan and shall hold not less
115 than one public hearing concerning such plan prior to seeking the
116 affirmative vote of the legislative body of the municipality.

117 (2) A municipal aggregation plan shall include, but need not be
118 limited to, the following components: (A) A general description of the
119 planned program implementation; (B) the provision of universal access
120 in the municipal aggregation service area; (C) the provision of reliable
121 service; (D) the provision of equitable treatment of all classes of electric
122 customers; (E) the organizational structure of the public aggregator; (F)
123 any proposed customer communications, including opt-out notices; (G)
124 the public aggregator's method of providing funding for services under
125 the program and for program administration; (H) a description of how
126 the program rates will be set and structured; (I) the rights and
127 responsibilities of program participants; (J) a plan for resolving
128 complaints by program participants, including any arbitration or
129 dispute resolution procedures, that ensures that the public aggregator
130 shall participate in the resolution of complaints directly related to the
131 program and does not rely on the authority or an electric distribution
132 company to address such complaints; (K) a public aggregator's intent to
133 offer optional voluntary energy products; (L) a description of any
134 voluntary energy products that the public aggregator will offer to
135 electric customers; and (M) the method for suspending or terminating
136 the municipal aggregation program. If, at the time of filing the plan with
137 the authority, a public aggregator has not determined whether the
138 aggregator shall offer voluntary energy products, the plan shall identify

139 and describe the factors and criteria that the public aggregator will
140 consider in making such a determination.

141 (3) After the establishment of a public aggregator pursuant to
142 subsection (c) of this section, the municipal aggregation plan shall be
143 filed with the authority for review. Any proposed customer
144 communications included in such plan shall be approved or denied by
145 the authority not later than one hundred twenty days after the date
146 upon which the plan was filed with the authority. If the authority does
147 not approve or deny such communications within the time specified in
148 this subdivision, such communications shall be deemed approved by
149 the authority.

150 (4) Not later than fourteen days after the authority has approved the
151 proposed customer communications, or such communications have
152 been deemed approved, the public aggregator shall submit a timeline
153 concerning the implementation of the municipal aggregation plan to
154 any electric distribution company serving electric customers within the
155 municipal aggregation service area. The public aggregator shall submit
156 monthly updates concerning the implementation of the plan to any such
157 electric distribution company until the public aggregator executes an
158 agreement with a program supplier. The public aggregator shall
159 provide notice of the execution of such agreement to any such electric
160 distribution company, and the program supplier shall provide any such
161 electric distribution company with information necessary to enroll
162 customers with the program supplier as set forth in subsection (g) of this
163 section.

164 (5) A public aggregator may modify a municipal aggregation plan in
165 a manner consistent with this section, provided the public aggregator
166 shall provide a public review period of not less than thirty days for any
167 such revised plan. The public aggregator shall submit any such revised
168 plan to the authority on the first day of such public review period. A
169 material revision to any proposed customer communication shall be
170 approved or denied by the authority not later than thirty days after the
171 date upon which the revised plan was filed with the authority. If the

172 authority does not approve or deny such communications within the
173 time specified in this subdivision, such communications shall be
174 deemed approved by the authority.

175 (e) A public aggregator may establish the practices, terms and
176 conditions of the offerings and services to be provided from time to
177 time, including, but not limited to: (1) Rates to support the program,
178 including the provision of energy products; (2) supply terms; (3) the
179 start time of the program; (4) energy product offerings, including any
180 periodic changes in the price or composition of such energy product
181 offerings; (5) contract terms and conditions for energy products
182 included in the program; (6) the format and mechanisms for delivering
183 any notice to program participants; (7) the maintenance of an Internet
184 web site dedicated to current program information; and (8)
185 accommodating consumers with limited English proficiency. The
186 practices, terms and conditions of the offerings and services identified
187 in this subsection need not be approved by the authority.

188 (f) A public aggregator shall deliver customer communications
189 concerning the plan, including opt-out notices, as approved or deemed
190 approved by the authority to electric customers in the municipal
191 aggregation service area. Such communications shall be made
192 consistent with the municipal aggregation plan and by one or more
193 delivery methods deemed most effective by the public aggregator. To
194 enable such delivery, any electric distribution company shall provide to
195 the public aggregator a current list of the names, mailing addresses,
196 electronic mail addresses and service addresses of any electric customer
197 receiving electric distribution services, as defined in section 16-1 of the
198 general statutes, from such company in the municipal aggregation
199 service area, except the electric distribution company shall not include
200 any electric customer in such list who (1) has opted out of the
201 aggregation; (2) has a contract with a licensed electric supplier; (3) has a
202 contract with the electric distribution company that prohibits the electric
203 customer from being automatically enrolled in the municipal
204 aggregation program; (4) is not located within the municipal
205 aggregation service area; (5) has informed the electric distribution

206 company such customer does not want such customer's account
207 information shared; (6) is a hardship case for purposes of subdivision
208 (3) of subsection (b) of section 16-262c of the general statutes; (7) has
209 arrearages deducted from such customer's bill by the electric
210 distribution company pursuant to subdivision (4) of subsection (b) of
211 section 16-262c of the general statutes; (8) receives financial assistance
212 from the electric distribution company; or (9) is otherwise protected by
213 law from shutoff of electricity services.

214 (g) (1) Participation by any eligible customer in a municipal
215 aggregation program shall be voluntary. On and after the date upon
216 which eligible customers may begin enrolling in the program, auto-
217 enroll customers shall be transferred to the program according to the
218 opt-out process described in the municipal aggregation plan. Such
219 transfers shall occur on either the January or July electric meter read date
220 for such customers, provided no such customer may be automatically
221 enrolled unless such customer was sent an opt-out notice thirty or more
222 days before such meter read date.

223 (2) Any municipal aggregation program shall allow any electric
224 customer to opt out of such program and choose any electric supplier or
225 provider, including standard service from an electric distribution
226 company, and a public aggregator shall not prohibit or otherwise
227 restrict electric suppliers or electric distribution companies from
228 enrolling customers within the municipal aggregation service area.

229 (3) Once enrolled in the program, any program participant who
230 chooses to opt out not more than one hundred eighty days after
231 enrollment shall do so without penalty.

232 (4) After the initial enrollment of auto-enroll customers after the
233 approval of a municipal aggregation program by the authority, the
234 subsequent enrollment of any new auto-enroll customer or account
235 within the municipal aggregation service area shall be governed by the
236 terms for enrollment set forth in the municipal aggregation plan.

237 (h) A public aggregator shall provide written notice to any auto-

238 enroll customer in advance of such customer's automatic enrollment (1)
239 that such customer will be automatically enrolled in the program, (2)
240 that such customer has the right to opt out of the program, and (3) to
241 provide the deadline after which such customer may be assessed an opt-
242 out penalty. Such notice shall also prominently state any program
243 charges and the standard service rate, how an electric customer may
244 receive the standard service and the fact that standard service is
245 available to such customer without penalty.

246 (i) A public aggregator shall notify each program participant in
247 advance of any change in (1) energy products offered under the
248 program, or (2) rates for energy products offered under the program,
249 and that each participant has the right, without penalty, to opt out of the
250 program or to select another energy product available under the
251 program, if applicable. In the event of any such change, each participant
252 shall continue to be enrolled in the program unless the participant opts
253 out of the program.

254 (j) A public aggregator may offer, and a program participant may
255 select, voluntary energy products at a price greater than the standard
256 service rate.

257 (k) Upon approval from a public aggregator, a program supplier
258 under contract with the public aggregator may communicate with
259 program participants and offer products separate from the energy
260 products offered under the program to such participants.

261 (l) Unless an electric customer has informed an electric distribution
262 company that such customer does not want such customer's account
263 information shared, the electric distribution company shall provide real-
264 time interval meter data in fifteen-minute increments, if such data is
265 available to the electric distribution company, in comma-separated
266 value format.

267 (m) Each program supplier shall file an annual report with the public
268 aggregator that includes the following information for the preceding
269 program year: (1) The monthly enrollment statistics by customer class;

270 (2) the number and percentage of customers that opted out of the
271 program; (3) the number and percentage of customers that selected a
272 voluntary energy product, if applicable; and (4) a description of each
273 customer complaint and the disposition of each complaint.

274 (n) A violation of this section, including the use of unauthorized or
275 deceptive customer communications, by a consultant, program supplier
276 or public aggregator shall subject such consultant, supplier or
277 aggregator to the penalties provided in section 16-41 of the general
278 statutes, as amended by this act, and the authority may order that any
279 consultant or program supplier found in violation of this section be
280 prohibited from providing further services to a public aggregator.

281 Sec. 2. Subsection (a) of section 16-41 of the general statutes is
282 repealed and the following is substituted in lieu thereof (*Effective October*
283 *1, 2026*):

284 (a) Each (1) public service company and its officers, agents and
285 employees, (2) electric supplier or person providing electric generation
286 services without a license in violation of section 16-245, and its officers,
287 agents and employees, (3) certified telecommunications provider or
288 person providing telecommunications services without authorization
289 pursuant to sections 16-247f to 16-247h, inclusive, and its officers, agents
290 and employees, (4) person, public agency or public utility, as such terms
291 are defined in section 16-345, subject to the requirements of chapter 293,
292 (5) person subject to the registration requirements under section 16-
293 258a, (6) cellular mobile telephone carrier, as described in section 16-
294 250b, (7) Connecticut electric efficiency partner, as defined in section 16-
295 243v, (8) company, as defined in section 16-49, (9) entity approved to
296 submeter pursuant to section 16-19ff, [and] (10) person involved in the
297 transportation of gas, as such terms are defined in section 16-280a, (11)
298 consultant, as defined in section 1 of this act, (12) program supplier, as
299 defined in section 1 of this act, and (13) public aggregator, as defined in
300 section 1 of this act, shall obey, observe and comply with all applicable
301 provisions of this title and each applicable order made or applicable
302 regulations adopted by the Public Utilities Regulatory Authority by

303 virtue of this title as long as the same remains in force. Any such
304 company, electric supplier, certified telecommunications provider,
305 cellular mobile telephone carrier, Connecticut electric efficiency partner,
306 entity approved to submeter, person, consultant, program supplier or
307 public aggregator, or any officer, agent or employee thereof, or public
308 agency or public utility which the authority finds has failed to obey or
309 comply with any such provision of this title, order or regulation shall be
310 fined, ordered to pay restitution to customers or ordered to pay a
311 combination of a fine and restitution by order of the authority in
312 accordance with the penalty prescribed for the violated provision of this
313 title or, if no penalty is prescribed, not more than ten thousand dollars
314 for each offense, except that the penalty shall be a fine, restitution to
315 customers or a combination of a fine and restitution of not more than
316 forty thousand dollars for failure to comply with an order of the
317 authority made in accordance with the provisions of section 16-19 or 16-
318 247k or within thirty days of such order or within any specific time
319 period for compliance specified in such order. The authority may direct
320 a portion of any fine levied pursuant to this section to be paid to a
321 nonprofit agency engaged in energy assistance programs named by the
322 authority in its decision or notice of violation and may direct a portion
323 of any fine levied pursuant to this section against a person involved in
324 the transportation of gas, as such terms are defined in section 16-280a,
325 to support the study, installation and deployment of residential
326 methane detectors by one or more public service companies, as
327 determined by the authority. Any such nonprofit agency that receives a
328 portion of a fine pursuant to this subsection shall administer such funds
329 as directed by the authority and submit an annual report to the
330 authority, at the end of each fiscal year and in a form determined by the
331 authority, that details the expenditure of such funding. No such
332 nonprofit agency shall use more than ten per cent of such funding for
333 administrative purposes. Notwithstanding any provision of this
334 subsection, for the fiscal years ending June 30, 2023, and June 30, 2024,
335 the authority shall direct not less than ninety-five per cent of any fine
336 levied pursuant to this section to nonprofit agencies engaged in energy
337 assistance programs. Each distinct violation of any such provision of

338 this title, order or regulation shall be a separate offense and, in case of a
339 continued violation, each day thereof shall be deemed a separate
340 offense. Each such penalty and any interest charged pursuant to
341 subsection (g) or (h) of section 16-49 shall be excluded from operating
342 expenses for purposes of rate-making.

343 Sec. 3. Section 16-245b of the general statutes is repealed and the
344 following is substituted in lieu thereof (*Effective October 1, 2026*):

345 Notwithstanding the provisions of subsection (a) of section 16-245,
346 the provisions of said section shall not apply to (1) any municipality or
347 regional water authority that aggregates the sale of electric generation
348 services, including any public aggregator established pursuant to
349 section 1 of this act, or to the MIRA Dissolution Authority if such
350 authority aggregates the sale of electric generation services, for end use
351 customers located within the boundaries of such municipality or
352 regional water authority, (2) any municipality that joins together with
353 other municipalities to aggregate the sale of electric generation services
354 for end use customers located within the boundaries of such
355 municipalities, or (3) any municipality or regional water authority that
356 aggregates the purchase of electric generation services for municipal
357 facilities, street lighting, boards of education and other publicly-owned
358 facilities within (A) the municipality for which the municipality is
359 financially responsible, or (B) the municipalities that are within the
360 authorized service area of the regional water authority. Any
361 municipality or regional water authority that aggregates in accordance
362 with this section shall register not less than annually with the Public
363 Utilities Regulatory Authority on a form prescribed by the authority.

364 Sec. 4. Subsection (b) of section 33-219 of the general statutes is
365 repealed and the following is substituted in lieu thereof (*Effective October*
366 *1, 2026*):

367 (b) Notwithstanding the provisions of subsection (a) of this section,
368 cooperative, nonprofit, membership corporations may be organized
369 under this chapter for the purpose of generating electric energy by
370 means of cogeneration technology, renewable energy resources or both

371 and supplying it to any member or supplying it to, purchasing it from
 372 or exchanging it with a public service company, electric supplier, as
 373 defined in section 16-1, [municipal] electric aggregator, as defined in
 374 [said] section 16-1, municipal utility or municipal electric energy
 375 cooperative, in accordance with an agreement with the company,
 376 electric supplier, electric aggregator, municipal utility or cooperative.
 377 No membership corporation under this subsection may exercise those
 378 powers contained in subsection (i) or (j) of section 33-221 unless the prior
 379 approval of the Public Utilities Regulatory Authority is obtained, after
 380 opportunity for hearing in accordance with title 16 and chapter 54. Any
 381 cooperative organized on or after July 1, 1998, pursuant to this
 382 subsection shall collect from its members the competitive transition
 383 assessment levied pursuant to section 16-245g and the systems benefits
 384 charge levied pursuant to section 16-245l in such manner and at such
 385 rate as the Public Utilities Regulatory Authority prescribes, provided
 386 the authority shall order the collection of said assessment and said
 387 charge in a manner and rate equal to that to which the members of the
 388 cooperative would have been subject had the cooperative not been
 389 organized.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2026	New section
Sec. 2	October 1, 2026	16-41(a)
Sec. 3	October 1, 2026	16-245b
Sec. 4	October 1, 2026	33-219(b)

Statement of Legislative Commissioners:

In Section 1(a)(2)(D), "subdivision (5)" was changed to "subdivision (4)", for accuracy; and in Section 1(l), "comma-separated value separated format" was changed to "comma-separated value format", for accuracy.

ET Joint Favorable Subst. -LCO

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 27 \$	FY 28 \$
Public Utilities Regulatory Authority (PURA)	CC&PUCF - Potential Cost	See Below	See Below
Resources of the General Fund	GF - Revenue Gain	Potential	Potential

Note: GF=General Fund; CC&PUCF=Consumer Counsel and Public Utility Control Fund

Municipal Impact:

Municipalities	Effect	FY 27 \$	FY 28 \$
All Municipalities	Potential Savings	See Below	See Below
All Municipalities	Potential Cost	See Below	See Below
All Municipalities	Potential Revenue Gain	See Below	See Below

Explanation

Municipal Impact:

The bill allows municipalities to procure electric supply and related energy products through municipal aggregation programs. The bill also establishes a framework to allow municipalities to form a public aggregator. This results in a potential cost to municipalities to establish a public aggregator and potential savings to the extent contracts are more cost-effective when purchased through a municipal aggregation program. It is not anticipated that a municipality will establish a public aggregator program if they will not realize savings exceeding the cost of such a program.

There is also a potential revenue gain to municipalities beginning in FY 27 to the extent fees are set for use of the program and an opt out penalty is set and enforced.

State Impact:

The bill could result in a potential cost to the Public Utilities Regulatory Authority (PURA) associated with expanded responsibilities related to municipal aggregation plans. Depending on the number of municipalities who participate in the aggregation plans and the level of review and oversight by PURA, additional staff will be required. One new Assistant Rate Specialist will result in an annual salary of \$78,594 with corresponding fringe benefits of \$32,868, any additional costs will be incurred by the Consumer Counsel and Public Utility Control Fund.

Additionally, the bill allows PURA to impose fines or restitution up to \$10,000 to a consultant or program supplier that violates the bill's provisions. To the extent fines are imposed this could result in a revenue gain to the General Fund, the amount of revenue is unknown and will be dependent upon the number of violations and the amount of the fines imposed.

Rate Payer Impact

The rate payer impact of the bill is indeterminate. While it is assumed that municipalities will assume potential savings to the extent contracts are more cost-effective when purchased through a municipal aggregation program, the actual rates will be dependent upon the specific program. However, rates could be negatively impacted by increasing the risk premium where standard service load is less predictable.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation, contract savings and fines.

OLR Bill Analysis**sHB 5245*****AN ACT CONCERNING MUNICIPAL ELECTRIC AGGREGATION PROGRAMS.*****SUMMARY**

This bill authorizes municipalities to procure electric supply and related energy products through municipal aggregation programs. Currently, electric distribution company (EDC, Eversource or United Illuminating) customers may choose to purchase electric supply through a third-party supplier or through standard service from the EDC. Generally, under the bill, EDC customers in a municipality that establishes a municipal aggregation program instead purchase electric supply the municipality procures, unless the customer opts not to (“opts out”) and with certain other exceptions.

Existing law allows municipalities to act as electric aggregators by gathering electric customers to negotiate electric generation service purchases from an electric supplier, so long as the customer contracts directly with the electric supplier and the municipality does not purchase or resell these services. By law, these aggregators are not subject to laws on electric suppliers, including licensure requirements and consumer protections. Existing law does not generally authorize these aggregators to automatically enroll customers.

The bill establishes a separate framework for municipal aggregation programs, allowing municipalities to form a public aggregator, which can enter into contracts for energy products and set terms and conditions for program services and offerings. The bill similarly exempts these public aggregators from electric supplier requirements (§ 3).

To establish a municipal aggregation program, the bill requires a

municipality (or multiple municipalities acting jointly) to (1) develop a municipal aggregation plan that generally details the process for electric load aggregation and its consequences, among other things, (2) hold at least one public hearing, and (3) get approval for the plan from the municipality’s legislative body and chief executive officer.

Certain customers are automatically enrolled in the program if they receive electric service in an area served by a municipal aggregation program (the “municipal aggregation service area”). The bill excludes from automatic enrollment hardship customers and customers who already contract with electric suppliers, among others. The bill establishes notice requirements for (1) auto-enrolled customers before enrollment and (2) changes to program services or rates.

Under the bill, an eligible customer’s participation in the program is voluntary. The bill requires a municipal aggregation program to allow any electric customer to opt out and choose an electric supplier or provider, including standard service. It prohibits customer penalties for opting out within 180 days after enrolling in the municipal aggregation program.

The bill requires the Public Utilities Regulatory Authority (PURA) to approve certain customer communications and allows PURA to order fines or customer restitution for violations of the bill’s provisions. The bill specifies that providing energy products to electric customers within a municipal aggregation service area is not a wholesale utility transaction (which are generally under federal jurisdiction).

The bill requires EDCs to share (1) certain customer account information with a public aggregator and (2) meter data. Each program supplier (generally, a licensed electric supplier providing energy products under the program) must report annually to the public aggregator on program information for the preceding calendar year.

The bill also makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2026

MUNICIPAL AGGREGATOR PROGRAM***Public Aggregator Powers***

The bill authorizes a municipality (or multiple municipalities acting jointly) to form a public aggregator under a municipal aggregator program. Under the bill, municipalities may form a public aggregator to group residential and commercial electric customers receiving standard service from an EDC to solicit bids, broker, and contract for electric supply, community distributed generation, or community demand response incentives for this group of customers. A community demand response incentive is designed to promote changes in customer electricity usage in response to (1) the price of electricity over time (for example, through time-varying rates) or (2) times when the wholesale price of electricity is abnormally high or when grid reliability is jeopardized. The bill does not define community distributed generation.

Under the bill, public aggregators are not public service companies, which means, among other things, that they are not subject to rate regulation by PURA. Public aggregators may enter into agreements for services to facilitate energy product sales and purchases, including renewable energy certificates. The bill also authorizes them to enter into contracts on behalf of a municipal aggregation program. Presumably, these include agreements with (1) consultants, which are any person or entity a municipality retains to help develop a municipal aggregation plan and operate a public aggregator and (2) program suppliers, which are licensed electric suppliers that provide energy products (electric supply, community distributed generation, or community demand response incentives) to municipal aggregation customers.

The bill authorizes public aggregators to establish practices, terms, and conditions of program offerings and services, which, under the bill, are not subject to PURA's approval. These include:

1. rates to support the program, including provision of energy products;
2. supply terms;

3. the program's start date;
4. energy product offerings, including any periodic changes in their price or composition;
5. contract terms and conditions for energy products;
6. the format and delivery methods for any notice to program customers;
7. a program website; and
8. accommodating customers with limited English proficiency.

The bill also authorizes public aggregators to offer voluntary energy products (any energy product that a program participant only receives if he or she affirmatively selects it) at a higher rate than standard service.

PROGRAM ESTABLISHMENT, REVIEW, AND APPROVAL

To establish a program, municipalities must develop a municipal aggregation plan for review by their voters that generally details the process for electric load aggregation and its consequences, among other things. They must file these plans with PURA and get its approval for portions of the plans related to communications with customers.

Municipal Aggregation Plan Components

The bill requires municipal aggregation plans to generally describe the plan to implement the program. The plan must provide for universal access in the municipal aggregation service area, reliable service, and equitable treatment of all classes of electric customers. It must also include:

1. the public aggregator's organizational structure;
2. any proposed customer communications, including opt-out notices;
3. how the public aggregator will fund program administration and services under the program;

4. how program rates will be set and structured;
5. program participants' rights and responsibilities;
6. a plan for resolving complaints, including any arbitration or dispute resolution procedures that ensures that the public aggregator will participate in resolving complaints related to the program and not rely on PURA or an EDC to address them; and
7. the method for suspending or terminating the municipal aggregation program.

The plan must also include a public aggregator's intent to offer optional voluntary energy products and a description of any voluntary energy products it will offer. If the public aggregator has not yet determined whether to offer voluntary energy products when it submits the plan to PURA, the plan must identify and describe the factors and criteria the public aggregator will consider when making that determination.

Municipal Approval

Municipalities must have a 30-day public review period and hold at least one public hearing on the plan. After taking these actions, the municipality may establish a municipal aggregation program and create a public aggregator by (1) affirmative vote of the municipality's legislative body and (2) approval by the municipality's chief executive officer.

PURA Review and EDC Notification

Once the municipality establishes a public aggregator, it must submit the municipal aggregation plan to PURA. The bill requires PURA to approve or deny any proposed customer communications in the plan no later than 120 days after it receives the plan. "Customer communications" are any communication from a public aggregator to an electric customer that concern the implementation of a municipal aggregation plan or program. If PURA takes no action during that time, communications are deemed approved.

Within 14 days after PURA approves the customer communications, the bill requires the public aggregator to submit a plan implementation timeline to any EDC serving customers in the municipal aggregation service area. The public aggregator must also (1) submit monthly updates on plan implementation to the EDC until the public aggregator executes an agreement with a program supplier and (2) notify the EDC when it executes an agreement. The program supplier must give the EDC any information needed to enroll customers.

CUSTOMER ENROLLMENT

Auto-Enroll Customer Initial Enrollment

The bill allows the public aggregator to set the program's start date. Starting on the date when customers may begin enrolling, the bill requires auto-enroll customers to be transferred to the program according to the municipal aggregation plan's opt-out process.

Auto-enroll customers are automatically enrolled in a municipal aggregation program unless the customer opts out of enrollment. Auto-enroll customers do not include any customer who:

1. receives electric supply service from an electric supplier and does not receive standard service from an EDC;
2. is a hardship case (generally, customers with income under 60% of the state median income or customers who are seriously ill);
3. has arrearages deducted from the bill by the EDC through a matching payment program;
4. receives financial assistance from an EDC,
5. is otherwise subject to shutoff protections, or
6. indicated they do not want their information shared.

Existing law (1) requires EDCs to make customer information (names, addresses, phone numbers, and rate class) available to electric suppliers and (2) establishes a process for customers to inform EDCs

that they do not want their information shared (CGS § 16-245o(a)).

Auto-enroll customer transfers must occur on either January or July meter read dates for these customers and at least 30 days after the public aggregator sends the customer an opt-out notice describing the customer's right to opt out of program enrollment. The bill requires a public aggregator to give written notice that the customer will be automatically enrolled in the program, has the right to opt out, and the deadline to opt-out without paying an opt-out penalty (see below). The notice must also prominently state (1) any program charges, (2) how the customer may receive standard service provided through the EDC, (3) that standard service is available to the customer without penalty.

Subsequent Enrollment

After auto-enroll customers are initially enrolled in the program, the bill requires subsequent enrollment of new auto-enroll customers or accounts within the municipal aggregation service area to be governed by the municipal aggregation plan's enrollment terms.

Opt-Out Requirements

The bill requires municipal aggregation programs to allow any electric customer to opt out and choose an electric supplier or provider, including standard service. Relatedly, the bill prohibits a public aggregator from prohibiting or restricting electric suppliers or EDCs from enrolling customers in the municipal aggregation service area.

The bill prohibits penalties for opting out within 180 days after enrolling in the municipal aggregation program. (Presumably, this means penalties may apply for opting out after 180 days, which appears to conflict with the bill's requirements that (1) auto-enroll customer notices state that standard service is available to customers without penalty (see above) and (2) rate or product change notices state that each program participant has the right, without penalty, to opt out of the program (see below).)

OTHER CUSTOMER COMMUNICATIONS

The bill requires public aggregators to deliver customer

communications on the plan, including opt-out notices, to electric customers in the municipal aggregation service area, as approved by PURA and consistent with the municipal aggregation plan.

To enable this delivery, the bill requires EDCs to give the public aggregator a current list of names, mailing addresses, email addresses, and service addresses for EDC customers in the municipal aggregation service area. The EDC must exclude from this list the customers excluded from auto-enrollment (for example, hardship customers, see above) and any customer who has a contract with the EDC that prohibits the customer from being automatically enrolled in the municipal aggregation program.

Program Product and Rate Changes Notice

The bill requires a public aggregator to notify program participants before changing energy products offered under the program or their rates. The notice must state that each participant has the right, without penalty, to opt out of the program or select another energy product available under the program, if applicable.

Program Supplier Communication

The bill allows program suppliers, under contract with and with approval from a public aggregator, to communicate with program customers and offer products that are separate from the energy products offered under the program.

EDC METER DATA

The bill requires EDCs to provide real-time interval meter data in 15-minute increments in comma-separated value format (an electronic format that separates data fields with numeric or text values using one or more specific characters, making it easy to search electronically). The EDC must provide this meter data (presumably, to the public aggregator) if it is available to the EDC and unless an electric customer has informed an EDC that the customer does not want account information shared.

REPORTING REQUIREMENT

The bill requires each program supplier to report annually to the public aggregator on information for the preceding calendar year, including:

1. monthly enrollment statistics by customer class;
2. the number and percentage of customers that opted out of the program;
3. the number and percentage of customers that selected a voluntary energy product, if applicable; and
4. a description of each customer complaint and its disposition.

VIOLATIONS

The bill extends PURA’s general enforcement authority to program suppliers, consultants, and public aggregators under the bill. The bill makes violations of its provisions, including unauthorized or deceptive customer communications, subject to existing law. Under existing law, PURA may prescribe up to \$10,000 in fines or restitution to customers for each offense. The bill allows PURA to prohibit a consultant or program supplier that violates the bill’s provisions from providing further services to a public aggregator.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable

Yea 24 Nay 2 (03/17/2026)