



LCO No. 3920: Testimony on *An Act Concerning Emergency Response by Electric Distribution Companies and Revising the Regulation of Other Public Utilities*.

Testimony submitted September 9, 2020.

Chairs Arconti & Needleman, Ranking Members Formica and Ferraro, and members of the Energy & Technology Committee,

Thank you for your work to address utility affordability and resilience, and for inviting public comment.

Operation Fuel is the only year-round emergency energy assistance program in Connecticut, providing help with electricity, water, natural gas, deliverable fuels and home system replacements to residents across the state. Thanks to our supporters and donors, Operation Fuel flips the switch for families - helping seniors, children, and people with medical conditions stay warm, keep the lights on, power devices for cooking and refrigeration, and have access to running water for drinking, hygiene, and laundry.

Losing power is more than just uncomfortable – the loss of food after power outages adds to the financial woes families are already struggling with, and it is a dangerous health and safety issue for those with medical conditions, the elderly, young children, and others in vulnerable populations. A leading cause of homelessness, losing electricity service can be a matter of life and death. During and after Storm Isaias, residents in multi-story buildings were trapped in their apartments when elevators shut down. Families who depend on electricity to operate medically necessary machinery could do so. Medication that must stay cold was lost. We need better systems in place to protect and prioritize service for people who experience financial and medical hardships. Operation Fuel appreciates LCO Bill 3920's provisions to reimburse customers for food and medicine lost due to excessively long power outages. We ask the committee to support this provision, with careful consideration to ensure these payments would be recovered from ratepayers, adding to the disproportionate energy burden faced by low and moderate income (LMI) CT residents.

Rising rates, the COVID-19 pandemic, and the aftermath of Tropical Storm Isaias have shined a harsh spotlight on a longstanding issue: that many Connecticut residents cannot afford the energy burdens they face. Even before COVID-19's devastating financial impact, the United Way's ALICE report found that more than 400,000 low- and moderate-income Connecticut working families were at risk of falling behind on their utility bills. Operation Fuel's 2017 study on energy affordability noted a financial gap of over \$400 million, while the CT Energy Assistance Program's annual budget hovers around \$80 million. Now, facing pandemic-related job losses and reduced hours, families who have never needed emergency energy assistance before are desperately seeking help to keep their power on and their water running.

Operation Fuel has responded nimbly to our clients' needs in the wake of the pandemic. Our donors have stepped up to support our work as never before. We've increased our grant

amounts, expanded eligibility guidelines, and strengthened utility partnerships to reach more families. We applaud the legislature for addressing energy affordability, and for recognizing there is much work to do.

Operation Fuel applauds the recent ruling from the Public Utilities Regulatory Authority (PURA) that extends the service termination moratorium until October 1st. PURA's ruling also helpfully requires EDCs to share ways to access energy assistance with customers before enacting shutoffs. In partnership with advocates, service providers, and other stakeholders, EDCs should focus on creating solutions to help customers struggling with energy costs. Additionally, utility companies must proactively communicate through all possible avenues to get methods assistance in front of customers. LCO Bill 3920 proposes a new Energy Conservation Management Board, which if passed, should include ratepayer advocates such as the Center for Children's Advocacy, CT Legal Rights Project, and CT Legal Services. Additionally, we encourage the legislature to consider how to strengthen the existing Energy Efficiency Board and Low Income Energy Advisory Board. Amplifying and expanding the work of these groups would help policy makers and regulators to de-silo information and leverage our collective efforts toward reducing greenhouse gas emissions, improving energy efficiency, and distributing needed energy assistance.

Operation Fuel supports legislation that would empower PURA to better protect LMI ratepayers. As many have testified, tying compensation to performance is an appropriate reform. We look forward to working with other stakeholders analyzing storm response and other compliance data prescribed in the bill. This data is essential to develop solutions for EDCs and state agencies, including the Department of Social Services, to reach individuals most in need of assistance. At the same time, we should be sure that any reporting requirements will be understandable and actionable; we should not simply collect data for its own sake, but use it to guide quick and meaningful action, especially on behalf of marginalized communities in CT. Finally, Operation Fuel supports the bill's directives to pilot and proliferate micro grids, which are an important component of energy independence and reliability in our state. We encourage the Department of Energy & Environmental Protection (DEEP), legislators, and other stakeholders to consider renewable energy standards when designing these programs.

The current situation is not sustainable. With the combined crises of COVID-19, rate hikes, and the extended outages from the recent storm, Operation Fuel is seeing a dramatic increase in calls for help. Pre-emptive action on the part of our utilities is critical to our state's recovery. Disproportionate energy burden for low income households drives up bills beyond what CT residents can afford to pay, and making this essential utility more expensive for everyone.

Operation Fuel appreciates the opportunity to share our clients' experiences with the legislature. We invite utility companies to create proactive solutions to the energy affordability crisis that protect their customers. In particular, we ask the legislature and the Electricity Distribution Companies (EDCs) to work with and for those who are most vulnerable to the danger of living without utilities.

Thank you again to the committee for taking on this issue. We look forward to working with you and other stakeholders to improve energy service and affordability in CT.