



# House of Representatives

General Assembly

**File No. 370**

February Session, 2024

House Bill No. 5441

*House of Representatives, April 9, 2024*

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 bill ought to pass.

## **AN ACT CONCERNING UTILITY SHUTOFFS FOR CERTAIN CUSTOMERS.**

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

1 Section 1. Subsection (b) of section 16-262c of the 2024 supplement to  
2 the general statutes is repealed and the following is substituted in lieu  
3 thereof (*Effective July 1, 2024*):

4 (b) (1) From November first to May first, inclusive, no electric  
5 distribution company, as defined in section 16-1, no electric supplier and  
6 no municipal utility furnishing electricity shall terminate, deny or refuse  
7 to reinstate residential electric service in hardship cases where the  
8 customer lacks the financial resources to pay his or her entire account.  
9 From November first to May first, inclusive, no gas company and no  
10 municipal utility furnishing gas shall terminate, deny or refuse to  
11 reinstate residential gas service in hardship cases where the customer  
12 uses such gas for heat and lacks the financial resources to pay his or her  
13 entire account, except a gas company that, between May second and  
14 October thirty-first, terminated gas service to a residential customer

15 who uses gas for heat and who, during the previous period of  
16 November first to May first, had gas service maintained because of  
17 hardship status, may refuse to reinstate the gas service from November  
18 first to May first, inclusive, only if the customer has failed to pay, since  
19 the preceding November first, the lesser of: (A) Twenty per cent of the  
20 outstanding principal balance owed the gas company as of the date of  
21 termination, (B) one hundred dollars, or (C) the minimum payments  
22 due under the customer's amortization agreement. Notwithstanding  
23 [any provision of the general statutes] the provisions of this subdivision,  
24 regardless of the month, no electric distribution or gas company, no  
25 electric supplier and no municipal utility furnishing electricity or gas  
26 shall terminate, deny or refuse to reinstate residential electric or gas  
27 service where: [the] (i) The customer is a hardship case and lacks the  
28 financial resources to pay his or her entire account; and [if] (ii) the  
29 termination, denial of or failure to reinstate such service would create a  
30 life-threatening situation for such customer or a member of such  
31 customer's household. [No] Notwithstanding the provisions of this  
32 subdivision, regardless of the month, no electric distribution or gas  
33 company, no electric supplier and no municipal utility furnishing  
34 electricity or gas shall terminate, deny or refuse to reinstate residential  
35 electric or gas service where: [the] (I) The customer is a hardship case  
36 and lacks the financial resources to pay his or her entire account; and (II)  
37 a child not more than twenty-four months old resides in the customer's  
38 household and such child has been admitted to the hospital and  
39 received discharge papers on which the attending physician, physician  
40 assistant or an advanced practice registered nurse has indicated such  
41 service is a necessity for the health and well-being of such child.

42 (2) During any period in which a residential customer is subject to  
43 termination, an electric distribution or gas company, an electric supplier  
44 or a municipal utility furnishing electricity or gas shall provide such  
45 residential customer whose account is delinquent an opportunity to  
46 enter into a reasonable amortization agreement with such company,  
47 electric supplier or utility to pay such delinquent account and to avoid  
48 termination of service. Such amortization agreement shall allow such  
49 customer adequate opportunity to apply for and receive the benefits of

50 any available energy assistance program. An amortization agreement  
51 shall be subject to amendment on customer request if there is a change  
52 in the customer's financial circumstances.

53 (3) As used in this section: [.]

54 (A) ["household income"] "Household income" means the combined  
55 income over a twelve-month period of the customer and all adults,  
56 except children of the customer, who are and have been members of the  
57 household for six months or more; [.] and

58 (B) ["hardship case" includes, but is not limited to] "Hardship case"  
59 means: (i) A customer receiving local, state or federal public assistance;  
60 (ii) a customer whose sole source of financial support is Social Security,  
61 United States Department of Veterans Affairs or unemployment  
62 compensation benefits; (iii) a customer who is a head of [the] household  
63 and is unemployed, and [the household] such household's income is less  
64 than three hundred per cent of the poverty level determined by the  
65 federal government; (iv) [a customer who is seriously ill or who has a  
66 household member who is seriously ill; (v)] a customer whose income  
67 falls below one hundred twenty-five per cent of the poverty level  
68 determined by the federal government; and [(vi)] (v) a customer whose  
69 circumstances threaten a deprivation of food and the necessities of life  
70 for himself or dependent children if payment of a delinquent bill is  
71 required.

72 (4) (A) Each gas company and electric distribution company shall  
73 deduct an arrearage from the account of a residential customer of such  
74 company if the customer (i) meets the income eligibility requirements of  
75 the Connecticut energy assistance program or state appropriated fuel  
76 assistance program; (ii) authorizes the gas or electric distribution  
77 company to send a copy of the customer's monthly bill directly to any  
78 energy assistance agency for payment; (iii) enters into and complies  
79 with an amortization agreement, which agreement is consistent with  
80 decisions and policies of the Public Utilities Regulatory Authority; and  
81 (iv) is eligible for financial hardship programs with the gas or electric  
82 distribution company. The amount of an arrearage deducted under this

83 subparagraph shall be equal to the customer's monthly payment  
84 pursuant to an amortization agreement under this subdivision,  
85 provided the customer meets the requirements of subparagraphs (A)(i)  
86 to (A)(iv), inclusive, of this subdivision for the month immediately  
87 preceding such payment.

88 (B) Each gas company and electric distribution company shall deduct  
89 an arrearage from the account of a residential customer who meets the  
90 requirements of subparagraphs (A)(i) to (A)(iv), inclusive, of this  
91 subdivision in an amount equal to any payment such customer receives  
92 from the Connecticut energy assistance program, state appropriated  
93 fuel assistance program or other energy assistance sources. Such  
94 deduction shall be in addition to any amount deducted pursuant to  
95 subparagraph (A) of this subdivision.

96 (C) Notwithstanding the provisions of subdivision (7) of this  
97 subsection, any amortization agreement under this subdivision shall  
98 distribute customer payments over a period of twelve months, from  
99 November first to October thirty-first, and shall create a monthly  
100 payment that is affordable to the customer in accordance with the  
101 decisions and policies of the authority.

102 (D) In no event shall the deduction of any amounts pursuant to this  
103 subdivision result in a credit balance to the customer's account. No  
104 customer shall be denied the benefits of this subdivision due to an error  
105 by the gas or electric distribution company. If the customer fails to  
106 comply with the terms of the amortization agreement, any decision of  
107 the authority rendered in lieu of such agreement or the requirements of  
108 subparagraphs (A)(i) to (A)(iv), inclusive, of this subdivision, the  
109 company may terminate service to the customer, pursuant to all  
110 applicable regulations, provided such termination shall not occur  
111 between November first and May first.

112 (E) Each gas and electric distribution company shall submit to the  
113 Public Utilities Regulatory Authority annually, on or before June first,  
114 an implementation plan that shall include information concerning  
115 amortization agreements, counseling, reinstatement of eligibility, rate

116 impacts and any other information deemed relevant by the authority.  
117 The Public Utilities Regulatory Authority may approve or modify such  
118 plan not later than one hundred twenty-seven days after receipt of the  
119 plan. If the authority does not take any action on such plan by such date,  
120 the plan shall automatically take effect at the end of such one-hundred-  
121 twenty-seven-day period, provided the authority may extend such  
122 period for an additional thirty days by notifying the company before the  
123 end of such one-hundred-twenty-seven-day period. The authority may  
124 deny all or part of the recovery of costs incurred pursuant to this  
125 subsection if it determines that the company seeking recovery has been  
126 imprudent, inefficient or acting in violation of statutes or regulations  
127 regarding amortization agreements.

128 (5) (A) All electric distribution and gas companies, electric suppliers  
129 and municipal utilities furnishing electricity or gas shall collaborate in  
130 developing, subject to approval by the Public Utilities Regulatory  
131 Authority, standard provisions for the notice of delinquency and  
132 impending termination under subsection (a) of section 16-262d. Each  
133 such company and utility shall place on the front of such notice a  
134 provision that the company, electric supplier or utility shall not effect  
135 termination of service to a residential dwelling for nonpayment of  
136 disputed bills during the pendency of any complaint. In addition, the  
137 notice shall state that the customer is required to pay current and  
138 undisputed bill amounts during the pendency of the complaint. (B) At  
139 the beginning of any discussion with a customer concerning a  
140 reasonable amortization agreement, any such company or utility shall  
141 inform the customer (i) of the availability of a process for resolving  
142 disputes over what constitutes a reasonable amortization agreement, (ii)  
143 that the company, electric supplier or utility will refer such a dispute to  
144 one of its review officers as the first step in attempting to resolve the  
145 dispute, and (iii) that the company, electric supplier or utility shall not  
146 effect termination of service to a residential dwelling for nonpayment of  
147 a delinquent account during the pendency of any complaint,  
148 investigation, hearing or appeal initiated by the customer, unless the  
149 customer fails to pay undisputed bills, or undisputed portions of bills,  
150 for service received during such period. (C) Each such company, electric

151 supplier and utility shall inform and counsel all customers who are  
152 hardship cases as to the availability of all public and private energy  
153 conservation programs, including programs sponsored or subsidized  
154 by such companies and utilities, eligibility criteria, where to apply, and  
155 the circumstances under which such programs are available without  
156 cost.

157 (6) (A) The Public Utilities Regulatory Authority shall adopt  
158 regulations in accordance with the provisions of chapter 54 to carry out  
159 the provisions of this subsection. Such regulations shall include, but not  
160 be limited to, criteria for determining hardship cases and for reasonable  
161 amortization agreements, including appeal of such agreements, for  
162 categories of customers. Such regulations may include the  
163 establishment of a reasonable rate of interest that a company may charge  
164 on the unpaid balance of a customer's delinquent bill and a description  
165 of the relationship and responsibilities of electric suppliers to customers.

166 (B) Not later than October 1, 2025, the authority shall amend the  
167 regulations adopted pursuant to subparagraph (A) of this subdivision,  
168 to carry out the provisions of subparagraph (B) of subdivision (3) of this  
169 subsection and subdivision (9) of this section.

170 (7) The Public Utilities Regulatory Authority may find that a  
171 reasonable amortization agreement, other than a reasonable  
172 amortization agreement under subdivision (4) of this subsection, is a  
173 period of not more than thirty-six months, unless the authority  
174 determines that a longer period is warranted. [Not later than October 1,  
175 2024, the authority shall amend any regulations adopted pursuant to  
176 subdivision (6) of this subsection to carry out the provisions of this  
177 subsection.]

178 (8) The chairperson of the Public Utilities Regulatory Authority may  
179 distribute not more than one million dollars in total each year to  
180 organizations or individuals providing legal services with the express  
181 purpose of attaining participation in public service company programs  
182 designed to assist customers with utility bill or arrearage payments,  
183 including negotiating a reasonable amortization agreement pursuant to

184 this subsection. Any funds distributed pursuant to this subdivision shall  
185 be paid by all public service companies, in proportion to such  
186 companies' annual load and the amount of services provided to end use  
187 customers or revenue, as determined by the authority.

188 (9) An electric distribution or gas company, electric supplier or  
189 municipal utility furnishing electricity or gas may terminate, deny or  
190 refuse to reinstate residential electric or gas service for nonpayment to  
191 any customer who: (A) Is ill, (B) has a household member who is ill, (C)  
192 has a life-threatening situation, or (D) has a household member who has  
193 a life-threatening situation, unless such company is prohibited from  
194 terminating, denying or refusing to reinstate such service pursuant to  
195 subdivision (1) of this subsection or subsection (b) of section 16-262d, as  
196 amended by this act.

197 Sec. 2. Subsection (b) of section 16-262d of the general statutes is  
198 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
199 *2024*):

200 (b) No such company, electric supplier or municipal utility shall  
201 [effect termination of] terminate service for nonpayment [during such  
202 time as] while any resident of a dwelling to which such service is  
203 furnished is seriously ill, if: [the fact of such serious illness is certified to  
204 such company, electric supplier or municipal utility by] (1) Such  
205 resident is a hardship case, as defined in section 16-262c, as amended by  
206 this act; and (2) a registered physician, a physician assistant or an  
207 advanced practice registered nurse certifies the fact of such serious  
208 illness to such company, electric supplier or municipal utility within  
209 [such] a period of time after the mailing of a termination notice pursuant  
210 to subsection (a) of this section [as] that the Public Utilities Regulatory  
211 Authority [may] shall, by regulation adopted in accordance with the  
212 provisions of chapter 54, establish, provided the customer to which such  
213 service is billed agrees to amortize the unpaid balance of [his] such  
214 customer's account over a reasonable period of time and keeps current  
215 [his] such customer's account for utility service as charges accrue in each  
216 subsequent billing period.

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

Section 1	<i>July 1, 2024</i>	16-262c(b)
Sec. 2	<i>July 1, 2024</i>	16-262d(b)

**ET**      *Joint Favorable*



---

*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:** None

**Municipal Impact:** None

### **Explanation**

This bill makes various adjustments to existing utility shutoff requirements and requires the Public Utilities Regulatory Authority (PURA) to develop a certification system for customers claiming hardship status and results in no fiscal impact to the state.

### **Ratepayer Impact Statement<sup>1</sup>**

This bill results in a potential minimal rate decrease in cost to ratepayers by limiting certain shutoff protections and reinstatement requirements associated with illness unless the customer qualifies as a hardship case. This adjustment may reduce future arrearages that would normally be collected through the rate recovery process, which results in a potential minimal rate decrease.

### **The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

---

<sup>1</sup> The state and municipalities are ratepayers and there may be impacted by policy changes that affect electric rates

---

**OLR Bill Analysis****HB 5441*****AN ACT CONCERNING UTILITY SHUTOFFS FOR CERTAIN CUSTOMERS.*****SUMMARY**

This bill limits utility shutoff protections to customers who are hardship cases and eliminates automatic hardship status for customers who are seriously ill or who have a seriously ill household member.

The bill explicitly allows gas and electric utilities and electric suppliers to terminate, deny, or refuse to reinstate residential electric or gas service for nonpayment to any customer who is ill or has a life-threatening situation or has a household member who is ill or has a life-threatening situation unless the law prohibits doing so (i.e., unless the customer is a hardship case).

The bill narrows certain protections to only apply to hardship cases. These include protections for customers who (1) lack the financial resources to pay the entire account if the utility's or supplier's action would create a life-threatening situation for the customer or household member or (2) communicate to a utility that a resident is seriously ill, as certified by registered physician, a physician assistant, or an APRN (Advanced Practice Registered Nurse).

The bill requires, rather than allows, the Public Utilities Regulatory Authority (PURA) to adopt regulations setting a deadline for customers to certify their serious illnesses based on when they receive termination notices. The bill delays PURA's deadline to amend related regulations by one year, to October 1, 2025, and narrows their scope.

The bill also makes technical and conforming changes.

---

EFFECTIVE DATE: July 1, 2024

## **HARDSHIP CASES**

### ***Definition***

Under current law, hardship cases include, but are not limited to, customers who meet any of the following criteria:

1. receive local, state, or federal public assistance;
2. have Social Security, U.S. Department of Veterans Affairs, or unemployment compensation benefits as their sole source of financial support;
3. are unemployed heads of households with household incomes less than 300% of the federal poverty limit (FPL);
4. are seriously ill or have seriously ill household members;
5. have income under 125% of FPL; or
6. face deprivation of food and necessities of life for themselves or their dependent children if payment of a delinquent bill is required.

The bill eliminates hardship status for customers who are seriously ill or have seriously ill household members, retaining the other (generally, income-based) criteria. The bill limits hardship cases to those specified in law.

### ***Protections and Other Provisions***

In addition to the shutoff protections described above, hardship cases are generally protected from utility shutoff in the following circumstances if a customer lacks the financial resources to pay the entire account:

1. seasonally, from November 1 to May 1; or
2. a child up to age 24 months resides in the household and a physician, physician assistant, or an APRN has indicated on the

child’s hospital discharge papers that utility service is necessary for the child’s health and wellbeing.

Existing law also limits the extent to which hardship customers may purchase electricity through electric suppliers. Specifically, the law allows hardship customers to enroll with electric suppliers if the supplier’s contract has rates that are no higher than the standard service rate for the contract’s duration (CGS § 12-245o).

**PURA Regulations**

Current law requires PURA to amend its regulations by October 1, 2024, on topics including hardship case determinations and reasonable amortization agreements. The bill delays the deadline by one year until October 1, 2025, and narrows the topics they must address to (1) the bill’s hardship definition and (2) companies’ explicit right to terminate service, described above.

**COMMITTEE ACTION**

Energy and Technology Committee

Joint Favorable

Yea 17    Nay 3    (03/21/2024)