



STATE OF CONNECTICUT

PUBLIC UTILITIES REGULATORY AUTHORITY
TEN FRANKLIN SQUARE
NEW BRITAIN, CT 06051

DOCKET NO. 19-01-08 2019 ANNUAL REPORT TO THE LEGISLATURE - STATE
OF ELECTRIC COMPETITION

March 31, 2020

LEGISLATIVE REPORT

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I. INTRODUCTION

A. SUMMARY

The Public Utilities Regulatory Authority (Authority) hereby submits its 2019 Report to the Legislature on the State of Competition in the Electric Industry in Connecticut and the status of supplier licensing. Retail competition in Connecticut's electric industry commenced in January 2000 when the generation segment of the industry was opened to competitive supply. This report includes a variety of data utilizing diverse indicators, including the average generation service charge and the Standard Service generation rates for residential and business customers, to demonstrate the level of participation in the state's competitive electric retail market.

B. BACKGROUND OF THE PROCEEDING

Section 16-245x(a) of the General Statutes of Connecticut (Conn. Gen. Stat.) requires the Authority, in consultation with the Office of Consumer Counsel (OCC), to monitor the state of competition, as it exists and as it is likely to evolve, and to monitor the average total rate of each customer class in the electric industry in Connecticut. The statute directs the Authority to report its findings, beginning January 1, 2002, and annually thereafter, to the joint standing committee of the General Assembly having cognizance of matters relating to energy. Public Act No. 17-64 became effective October 1, 2017, and changed the deadline by which the Authority must report annually on the state of electric rate competition to April 1 each year, rather than by January 1. Furthermore, Conn. Gen. Stat. § 16-245y(c) requires the Authority to report the number of applicants for licensure pursuant to section 16-245 during the preceding twelve months, the number of applicants licensed by the Authority, and the average period of time taken to process a license application.

II. ANALYSIS

A. HISTORY OF ELECTRIC COMPETITION

The deregulation of Connecticut's electric industry in 1998 provided an open market for customers to choose among competitive offers from various licensed electric suppliers. This required The Connecticut Light and Power Company (now Eversource Energy or Eversource) and The United Illuminating Company (UI) to unbundle their services, sell their generation assets, and start purchasing power on the wholesale market alongside newly licensed competitive retail suppliers. As Eversource and UI restructured they became known as electric distribution companies (EDCs), focusing on the delivery or distribution of electricity in addition to providing maintenance and billing services.¹ Pursuant to Conn. Gen. Stat. § 16-243h, since 2000 the EDCs have provided

¹ Conn. Gen. Stat. § 16-244b phased in electric retail competition. On January 1, 2000, up to 35% of the peak load of each rate class was allowed to choose an alternate electric supplier to provide electric generation service. As of July 1, 2000, all customers were provided the opportunity to choose an alternate electric supplier.

default service for customers who do not select a licensed supplier. This default service has evolved and is currently known as Standard Service. The Authority uses Standard Service throughout this report to refer to EDC default generation service.

B. RECENT DOCKETS AND INITIATIVES

Authority staff oversees numerous aspects of supplier-related case work. This oversight includes formal docketed proceedings, from broad investigations to supplier licensing cases and licensing renewals. The Authority increasingly uses enforcement tools outside of the hearing room, including prosecutorial assignments, show cause letters and informal inquiries, in order to ensure compliance with Connecticut laws, regulations and PURA orders.

In its Decision dated May 1, 2019, in Docket No. 13-07-17, PURA Investigation into Direct Energy Services, LLC's Trade Practices, the Authority found that Direct Energy Services, LLC violated Conn. Gen. Stat. §§ 16-245, 16-245o, 16-245s, and 42-110b when throughout its marketing it: 1) misstated the standard service price; 2) did not state in its marketing that it did not represent an EDC; 3) did not explain the purpose of its solicitations; 4) misrepresented cancellation fees; 5) used undefined terms and did not accurately explain rates; 6) implied customers must choose a supplier; 7) misled customers into believing generation charges were the total bill; 8) coached customers on answering questions through the third-party verification process; 9) charged excessive cancellation fees; 10) did not directly train its third-party agents; 11) engaged in other unfair and deceptive marketing practices, including but not limited to, making misleading statements in its marketing; 12) did not have Spanish marketing materials available when conducting solicitations and sales; and 13) did not have Spanish-language contracts available when conducting solicitations and sales, resulting in invalid contracts. As a result, the Authority ordered Direct Energy Services, LLC to pay a \$1.5 million civil penalty, prohibited it from accepting new customers via any means other than online enrollments for six months, and subjected it to continued auditing of marketing for one year.

Likewise, in Docket No. 06-12-07RE07, Application of Liberty Power Holdings, LLC for an Electric Supplier License – Review of Allegations of Consumer Protection Violations, the Authority found Liberty Power Holdings, LLC (Liberty) failed to comply with Conn. Gen. Stat. §§ 16-245(c), 16-245(g)(2), 16-245o(f)(2), 16-245o(h)(1), 16-245o(h)(2), 16-245o(h)(3), 16-245o(h)(4), 16-245o(h)(7), 16-245o(j), 16-245s, and 42-110b, by: 1) entering into contracts containing early termination fees in excess of fifty dollars; 2) not identifying Liberty in its marketing; 3) not indicating Liberty does not represent an EDC; 4) not explaining the purpose of its solicitations; 5) indicating its rates are all-inclusive; 6) implying in marketing that a customer must choose a supplier; 7) misrepresenting an EDC's rate; 8) not correctly explaining all rates; 9) not properly following third-party verification procedures; 10) not directly training its third-party agents; and 11) employing unfair and deceptive marketing practices. Decision dated July 31, 2019. The Authority entered into a settlement agreement with Liberty in which Liberty agreed to pay a civil penalty of \$750,000 and be subject to continued auditing of marketing for one year. See Correspondence dated October 30, 2019 – Settlement Agreement.

The Authority also found that Spark Energy, L.P. (Spark) failed to comply with the provisions of Conn. Gen. Stat. §§ 16-245(g)(2), 16-254o(h)(1), 16-245o(h)(2)(A), 16-245o(h)(3), 16-245o(h)(4), 16-245o(j) and 42-110b by utilizing a pre-recorded message that: (1) never identified Spark as the entity conducting the telemarketing; (2) represented to customers that the solicitation call was from an electric distribution company; (3) never explained the purpose of the sales call, which was to have customers enroll in a supply contract with Spark; (4) misstated the EDC's current charges; and (5) by not directly training its third-party agents. The Authority found that these violations were directly caused by Spark's intentional inaction and negligent failure to monitor, audit, and oversee that its marketing agents' activities complied with the legal requirements set forth in the aforementioned statutes. Docket No. 10-06-08RE02, Application of Spark Energy, L.P. for an Electric Supplier License – Investigation into Marketing, Decision dated July 17, 2019. The Authority entered into a settlement agreement with Spark in which Spark agreed to pay a \$500,000 civil penalty and agreed to continued auditing of its marketing. Correspondence dated November 6, 2019 – Settlement Agreement.

The Authority also entered into settlement agreements with other suppliers for historical variable rate (HVR) and renewable portfolio standards (RPS) violations. On December 20, 2019, PURA Prosecutorial and Clearview Electric, Inc., proposed a settlement agreement in which Clearview agreed to pay a \$9,000 civil penalty for HVR violations and to institute an internal system to prevent such violations from recurring. Docket No. 07-08-17RE02, Application of Clearview Electric, Inc. for an Electric Supplier License – Periodic Review (PURA approved the settlement agreement on January 15, 2020). On December 18, 2019, the Authority accepted a settlement agreement in which Abest Power & Gas, LLC agreed to pay \$60,000 in civil penalties in addition to the \$25,000 bond the Authority recalled for RPS violations. Docket No. 13-01-09 *et al*, Application of Abest Power, LLC for an Electric Supplier License, Decision dated December 18, 2019.

Further, during calendar year 2019, the Authority continued its work in Docket 18-12-22, colloquially known as the Amnesty Docket. Suppliers voluntarily agreeing to participate in this docket agree to reimburse customers whom received incorrect next cycle rate information on their electric utility bills from January 1, 2016 through January 28, 2019, in exchange for the Authority forgoing prosecution for such violations. Throughout 2019 the Authority issued multiple interim decisions in the docket to create a mechanism by which the twenty-two participating suppliers could work with the EDCs to issue a bill credit to affected customers. The Authority audited supplier amnesty plans and issued correspondences to twelve suppliers indicating deficiencies in plans they submitted. Throughout 2020 the Authority will continue to audit amnesty plans and release suppliers to begin the process of bill credits.

In its Decision dated December 19, 2019, in Docket No. 18-06-02, Review of Feasibility, Costs and Benefits of Placing Certain Customers on Standard Service Pursuant to §16-245o(m), the Authority found that customers defined as hardship pursuant to Conn. Gen. Stat. §§ 16-245o(m) and 16-262c receiving electric supply from third-party suppliers have historically paid more for electric service than they would have receiving standard service supply from the EDCs. This overpayment affects not only the hardship customers, but also all Connecticut ratepayers contributing to the hardship payments. As a result, all hardship customers will be transferred to standard service by

July 1, 2020. Costs for necessary IT upgrades to EDC systems will be borne by ratepayers.

Progress continued in Docket No. 14-07-19RE05, PURA Investigation into Redesign of the Residential Electric Billing Format – Review of Summary Information, Implementation and Display. In this docket, the Authority directed Eversource and UI to activate enrollment rejections if any supplier-provided Supply Summary information is not transmitted with the enrollment or if the information provided is incorrect (e.g., three-cycle residential term instead of the minimum required four-cycle term, etc.). Suppliers will be notified if there is missing or incorrect data and will be allowed to resubmit the enrollment. If the enrollment is not timely corrected and resubmitted, then, if the customer is on Standard Service he or she will remain, and if the customer is taking service from another supplier, he or she will be returned to Standard Service. Both EDCs indicated enrollment rejection became effective on December 14, 2019. The EDCs will now submit costs for the necessary IT upgrades to be allocated among suppliers.

Also new in 2019, the Authority implemented a supplier orientation process for newly-licensed suppliers. The purpose of the orientation is to review the requirements of self-reporting to the EnergizeCT Rate Board, past supplier-related PURA Decisions, Connecticut supplier licensing requirements, electronic filing, marketing requirements and other related topics for a newly-licensed supplier. The orientation affords new suppliers an opportunity to meet Authority staff and to ask questions before starting the marketing process in Connecticut. Feedback from suppliers that have participated in the process to date has been positive.

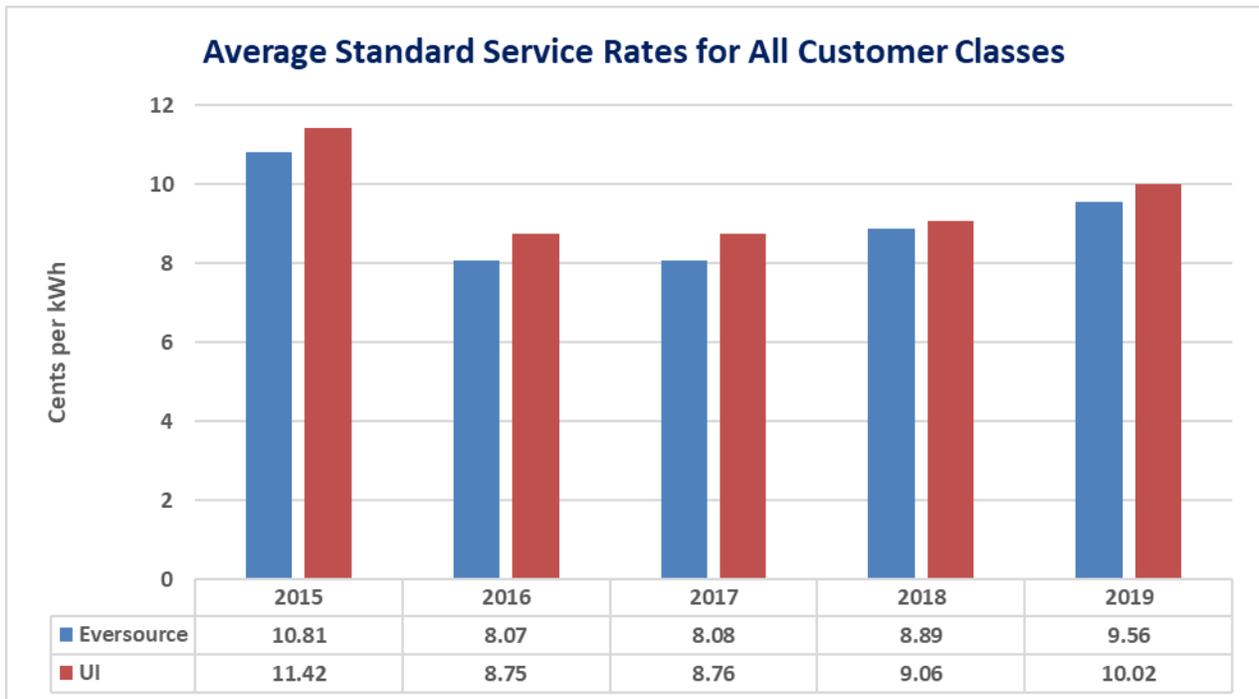
C. RESIDENTIAL AND BUSINESS GENERATION RATES

1. STANDARD SERVICE

As a basis of comparison to supplier rates herein, the Authority presents the following three tables reflecting Standard Service Rates. Table 1 shows *average* Standard Service rates for all customer classes each year from 2015 to 2019,² combining prices that are set from January 1 - June 30 and July 1 - December 31 in each year. As much of the power generated in Connecticut tracks wholesale natural gas prices, in recent years the July - December period has tracked differently than the January - June Standard Service price.

² This chart reflects the overall trend of Standard Service rates for all rate classes since 2015. The rate displayed is an average of the Standard Service price set on January 1st and July 1st of each year.

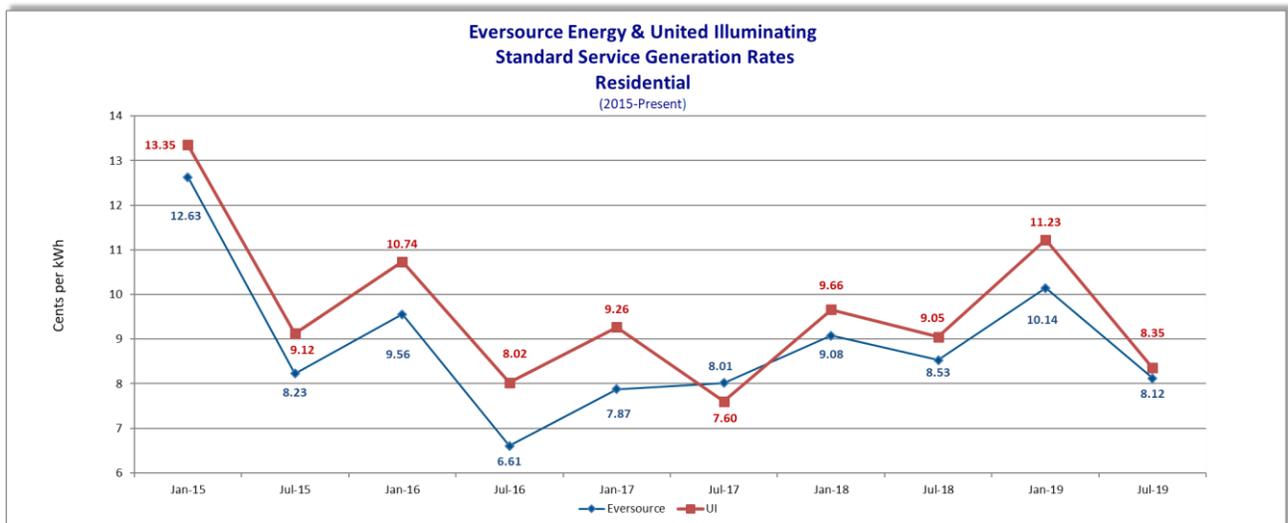
Table 1



2019 Eversource data from Docket No. 19-03-01, Exhibit No. 1;
 2019 UI data from Docket No. 19-03-02, Attachment 2.

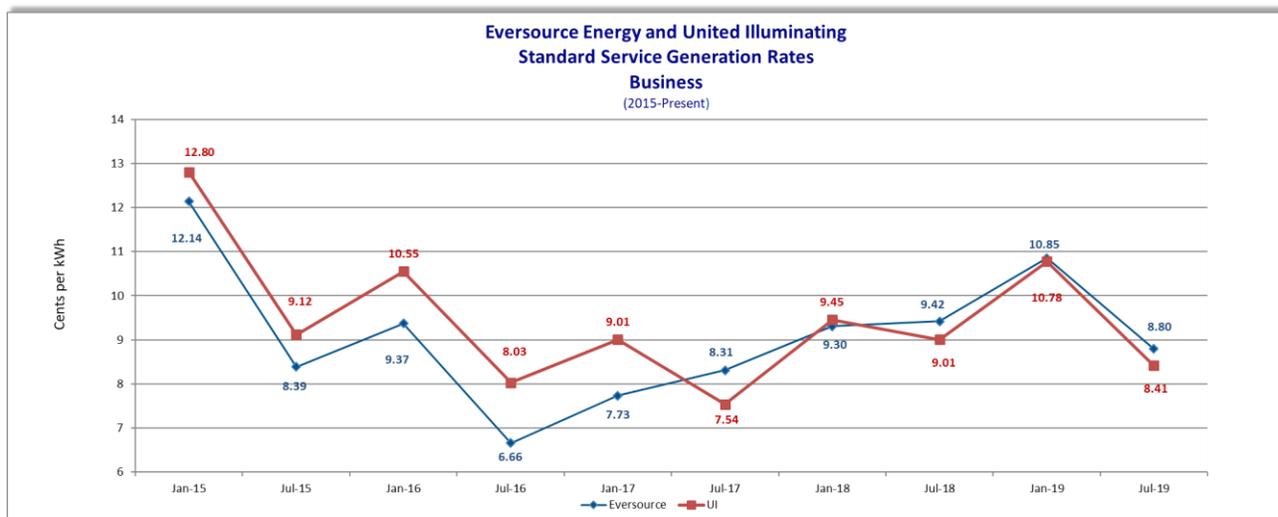
Table 2 and Table 3 provide comparisons of Eversource and UI *actual* Standard Service rates for residential and business customers, the two most common rate classes, from 2015 to present.

Table 2



Source: Dockets No. 19-01-01 and 19-01-02.

Table 3



Source: Docket Nos. 19-01-01 and 19-01-02.

2. ELECTRIC SUPPLIERS

a. Continuation of Variable Rates for Certain Customers

As of January 2020, 24,891 residential customers of electric suppliers remained on variable rates despite Conn. Gen. Stat. § 16-245o(h)(1) discontinuing new variable rates for residential customers on October 1, 2015. See Responses to Interrogatory CA-12, Docket No. 18-04-25, PURA Investigation Regarding Issues Related to Uncollectible Accounts (5,891 UI customers and 19,051 Eversource customers). These customers enrolled on variable rate contracts initially executed prior to October 2015; the statute included a grandfathering provision for contracts executed pre-October 2015. Of these customers paying variable rates, almost 21,000 paid greater than 12 cents per kWh, with almost 6,700 of those paying greater than 15 cents per kWh.³ See Responses to Interrogatory OCC-1 and OCC-2, Docket No. 18-04-25.

b. Generation Supply Rates

By correspondence dated November 20, 2014, in Docket No. 06-10-22, PURA Monitoring the State of Competition in the Electric Industry, the Authority directed the EDCs to begin submitting a listing of all rates that are billed by each supplier through utility consolidated billing (Monthly Supplier Rates). Since that time, the EDCs have submitted this information monthly in Docket No. 06-10-22. The Monthly Supplier Rates submitted by the EDCs provide all rates charged by each supplier for each month and the number of customers assessed that rate.

The following table summarizes the residential Monthly Supplier Rates for 2019 for all customers that are billed through the EDCs. The data indicates that during the first

³ As a basis of comparison, Eversource standard service rates in 2019 were 10.143 and 8.123 cents per kWh and UI standard service rates in 2019 were 11.2263 and 8.3532 cents per kWh. UI territory saw a greater percentage of variable rate customers paying higher rates, with 42% of variable rates customers paying rates greater than 15 cents per kWh.

half of 2019, over 40% of customers enrolled with a supplier paid greater than the Standard Service rate for their generation supply. For the first half of 2019, the average supplier rate in the Eversource territory was \$0.10569 per kWh (compared to Standard Service rate of \$0.10143 per kWh) and the average supplier rate in the UI territory was \$0.110971 per kWh (compared to Standard Service rate of \$0.112263 per kWh).

The percentage of supplier customers paying more than Standard Service increased significantly in the second half of 2019, with almost 88% of UI customers enrolled with suppliers paying more than Standard Service and 81.5% of Eversource's customers enrolled with a supplier paying more than Standard Service. During the second half of 2019, the average supplier rate in the Eversource territory was \$0.102033 per kWh, compared to a Standard Service rate of \$0.8123 per kWh; in the UI territory, the average supplier rate was \$0.108493 per kWh, compared to a Standard Service rate of \$0.83532 per kWh.

Table 4

2019 Residential Customers - Monthly Supplier Rates						
Utility	Average Number Served by a Supplier		Average % Paying Above Standard Service		Average Number Paying Above Standard Service	
	Jan-June	July-Dec	Jan-June	July-Dec	Jan-June	July-Dec
Eversource	263,844	256,168	43.8%	81.5%	115,496	208,836
United Illuminating	91,698	89,392	41.2%	87.9%	37,812	78,536

Source of data: Docket No. 06-10-22 2019 Eversource and UI Monthly Compliance Filings

The Authority presents this information as a snapshot of supplier rates charged in 2019, but recognizes that supplier contracts may last for longer than six-month Standard Service rates and therefore may reflect risk premiums not reflected in Standard Service rates. Supplier rates may include other terms (such as gift card incentives, cancellation fees, or monthly fees) that are not calculated in the rates. In addition, some customers may be served under contracts with renewable energy content that exceeds Connecticut's minimum renewable portfolio standard (RPS). The generation supply rate for such offers may exceed the Standard Service rate.

D. LICENSED ELECTRIC SUPPLIERS

Three applications for supplier licenses were filed in 2019. The time required to process an application depends on the completeness of the application when filed by the supplier and the regulatory history of the supplier in other jurisdictions. For example, in 2019 an application that was substantially complete upon filing and required only two clarifying interrogatories took only twelve weeks to process; whereas, an application missing a substantial amount of information and needing ten in-depth interrogatories took six months to process due to the need for continuing exchanges of information and clarification. Once the Authority deems an application complete, all applications are approved or denied within the ninety-day statutory timeframe.

In 2019, the Authority rejected one supplier application in a draft decision due to lack of technical and managerial capabilities based on the management's poor performance with other suppliers, including myriad marketing violations and purposeful billing errors. The supplier withdrew the application after the Authority issued the draft decision. See Docket No. 19-06-05, Application of Alpha Gas and Electric, LLC for an Electric Supplier License, Draft Decision dated January 24, 2020 and Withdrawal Notice dated February 3, 2020.

Due to suppliers' substantial regulatory histories in other jurisdictions, the time to process a supplier application is increasing. Every application requires research into infractions committed in other jurisdictions, which can be voluminous depending on how long the supplier has been active and in how many other jurisdictions. Moreover, the Authority is increasingly finding that suppliers are not forthcoming with this information on the initial application, requiring research by the Authority and subsequent interrogatories. See *e.g.*, Docket No. 19-08-21, Interrogatory SEU-9; Docket No. 19-06-05, Interrogatory SEU-29.

Fifty-nine (59) suppliers were licensed in Connecticut as of December 31, 2019. Table 5 provides customer count data for all licensed suppliers currently operating in Connecticut as of December 31, 2019. This is a combined year-end snapshot created from monthly filings made by Eversource and UI. It also displays the percentage of 'supplier served' customers each company holds as of December 31, 2019.⁴

⁴ Although fifty-nine suppliers are licensed in Connecticut, only forty-two currently serve customers. The remaining either are in the process of entering or exiting the market or secured a license but have never accepted customers.

Table 5

Eversource Energy and United Illuminating									
Electric Suppliers MWh Load & Customer Count Data									
Year-End Snapshot as of December 31, 2019									
	Electric Supplier	Eversource Customer Count by Class				UI Customer Count by Class			
		Residential	Business	Total	% of Supplier Customers	Residential	Business	Total	% of Supplier Customers
1	Aequitas Energy, Inc	519	650	1169	0.4%	118	114	232	0.2%
2	Agera Energy, LLC	1484	3473	4957	1.6%	341	443	784	0.7%
3	Ambit Energy, LLC	25423	3079	28502	9.2%	10324	773	11097	10.6%
4	Atlantic Energy MA, LLC	1	43	44	0.0%	0	0	0	0.0%
5	Calpine Energy Solutions, LLC	205	4893	5098	1.6%	17	3014	3031	2.9%
6	Champion Energy Services	254	207	461	0.1%	16	191	207	0.2%
7	Choice Energy, LLC	1069	36	1105	0.4%	500	13	513	0.5%
8	Clearview Energy, Inc	16499	1191	17690	5.7%	6551	228	6779	6.4%
9	Connecticut Gas & Electric, Inc	1954	627	2581	0.8%	484	86	570	0.5%
10	Constellation NewEnergy - ANDE	0	1	1	0.0%	0	0	0	0.0%
11	Constellation NewEnergy - C&I	2170	10182	12352	4.0%	736	4627	5363	5.1%
12	Constellation NewEnergy - CKSP	0	1	1	0.0%	0	0	0	0.0%
13	Constellation NewEnergy - GAAL	0	1	1	0.0%	0	0	0	0.0%
14	Constellation NewEnergy - MM	0	0	0	0.0%	7453	979	8432	8.0%
15	Constellation NewEnergy - Res	24669	1982	26651	8.6%	0	0	0	0.0%
16	Direct Energy Business, LLC	1079	8354	9433	3.0%	221	1398	1619	1.5%
17	Direct Energy Services, LLC	30943	3639	34582	11.1%	6401	1658	8059	7.7%
18	Discount Power, Inc	14447	700	15147	4.9%	3285	270	3555	3.4%
19	EDF Energy Services	116	559	675	0.2%	502	213	715	0.7%
20	Eligo Energy CT, LLC	4	47	51	0.0%	4	4	8	0.0%
21	Energy Plus Holdings LLC	1459	222	1681	0.5%	427	87	514	0.5%
22	Energy Rewards	176	0	176	0.1%	50	1	51	0.0%
23	ENGIE Resources Inc	1430	4138	5568	1.8%	625	1232	1857	1.8%
24	First Point Power, LLC	1393	442	1835	0.6%	78	80	158	0.2%
25	Liberty Power Holdings, LLC	10881	1268	12149	3.9%	6422	722	7144	6.8%
26	Major Energy Electric Services, LLC	1221	102	1323	0.4%	845	28	873	0.8%
27	Mega Energy of New England	1016	228	1244	0.4%	156	85	241	0.2%
28	National Gas & Electric, LLC	42	10	52	0.0%	7	0	7	0.0%
29	NextEra Energy Services Conn, LLC	1368	1246	2614	0.8%	207	274	481	0.5%
30	North American Power and Gas, LLC	15424	580	16004	5.2%	7319	203	7522	7.2%
31	NRG Retail Solutions	3365	1101	4466	1.4%	899	231	1130	1.1%
32	Public Power, LLC	28717	1915	30632	9.9%	4843	884	5727	5.4%
33	Spark Energy, LP	273	67	340	0.1%	222	97	319	0.3%
34	Starion Energy Inc	8618	364	8982	2.9%	3383	220	3603	3.4%
35	Sunwave Gas & Power Conn	4358	348	4706	1.5%	1206	210	1416	1.3%
36	Texas Retail Energy, LLC	0	30	30	0.0%	0	13	13	0.0%
37	Think Energy	3456	192	3648	1.2%	2537	98	2635	2.5%
38	Town Square Energy, LLC	27096	560	27656	8.9%	10026	214	10240	9.7%
39	Verde Energy USA, Inc	17131	1613	18744	6.0%	5903	430	6333	6.0%
40	Viridian Energy, Inc	2495	383	2878	0.9%	515	94	609	0.6%
41	Wattifi, Inc	54	37	91	0.0%	31	16	47	0.0%
42	XOOM Energy Connecticut, LLC	4362	574	4936	1.6%	2894	365	3259	3.1%
	Totals	255171	55085	310256	100.0%	85548	19595	105143	100.0%

Source: Eversource & UI Monthly Compliance Filings in Docket No. 06-10-22.

*The customer counts are as of month end and do not reflect pending enrollments.

*The MWh load is cumulative for the calendar month (1 MWh = 1,000 kWh)

SS = Standard Service; LRS = Last Resort Service

E. CUSTOMER SWITCHING TO ELECTRIC SUPPLIERS

As of December 2019, Eversource and UI served a total of 1,595,155 customer accounts in Connecticut. Of the total accounts, 1,433,736 were residential, 160,368 were commercial, and 1,051 accounts were last resort service (LRS). Twenty-six percent, or 415,421 of the total number of customer accounts chose to receive service from a supplier. These accounts receiving service from a supplier were comprised of 340,719 residential accounts, 73,778 commercial accounts and 924 LRS accounts. The tables below reflect the annual sales in MWh attributed to suppliers and the EDCs over the past five years.

Table 6a

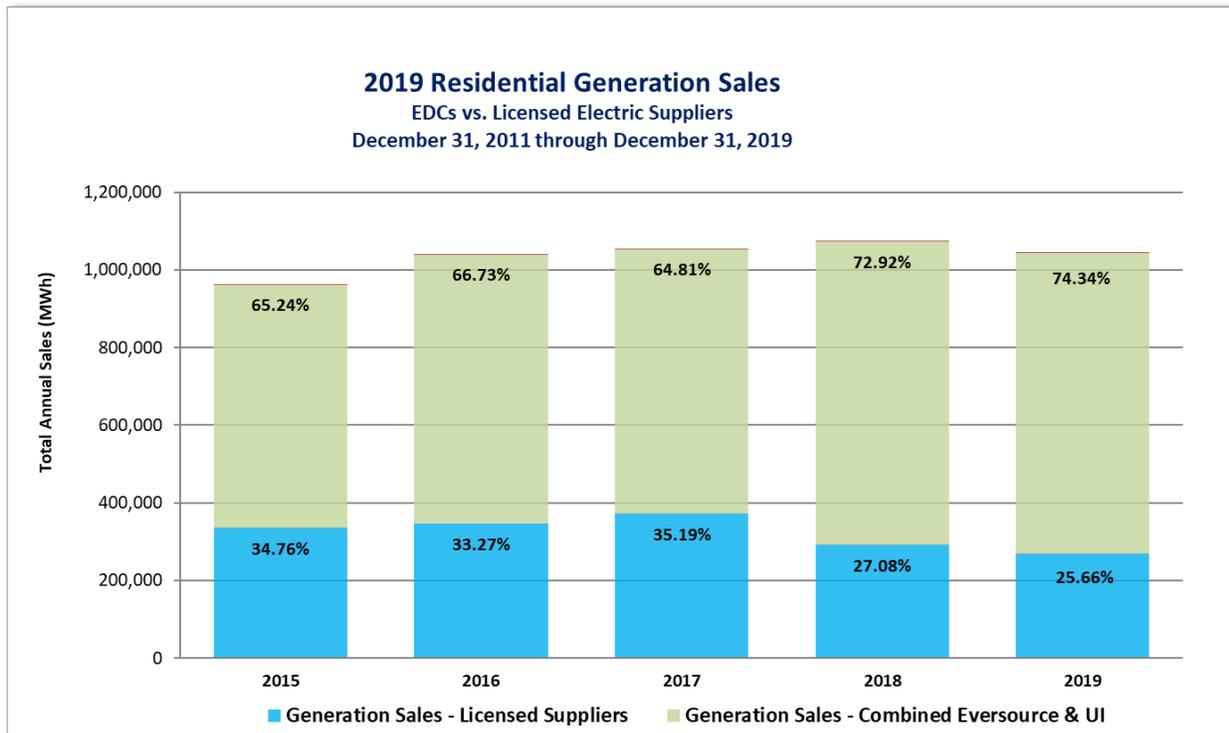


Table 6b

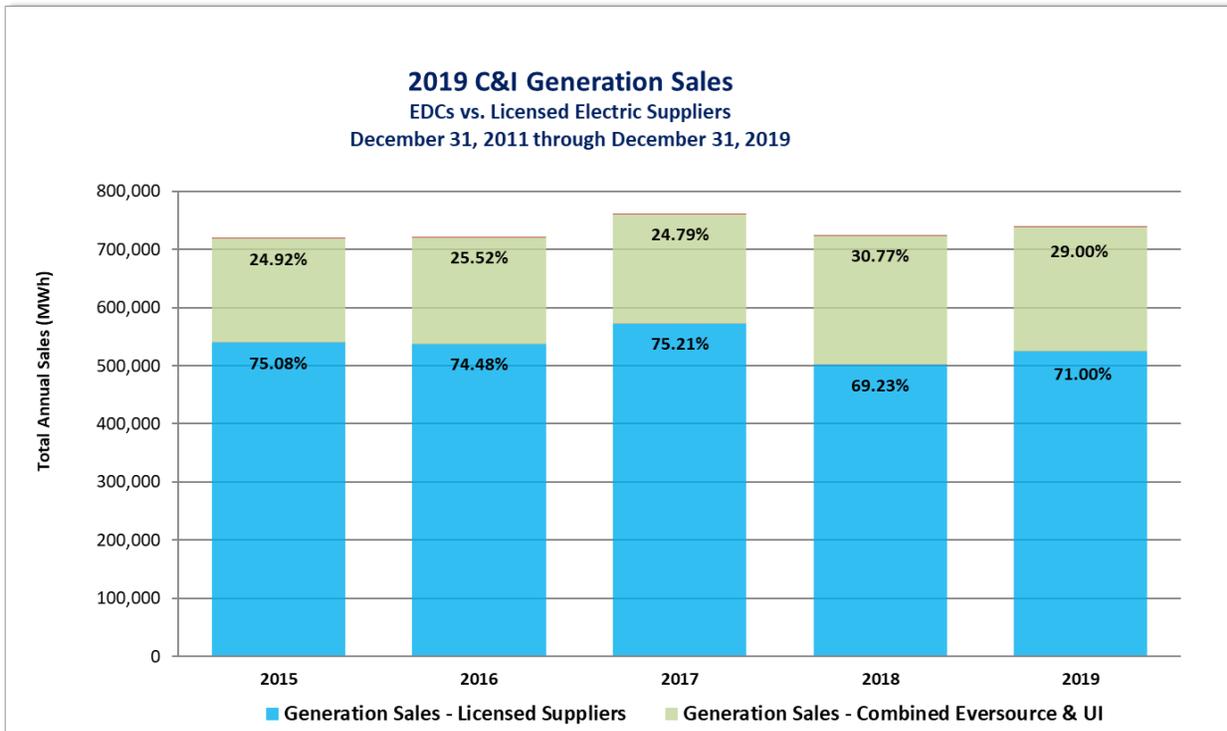
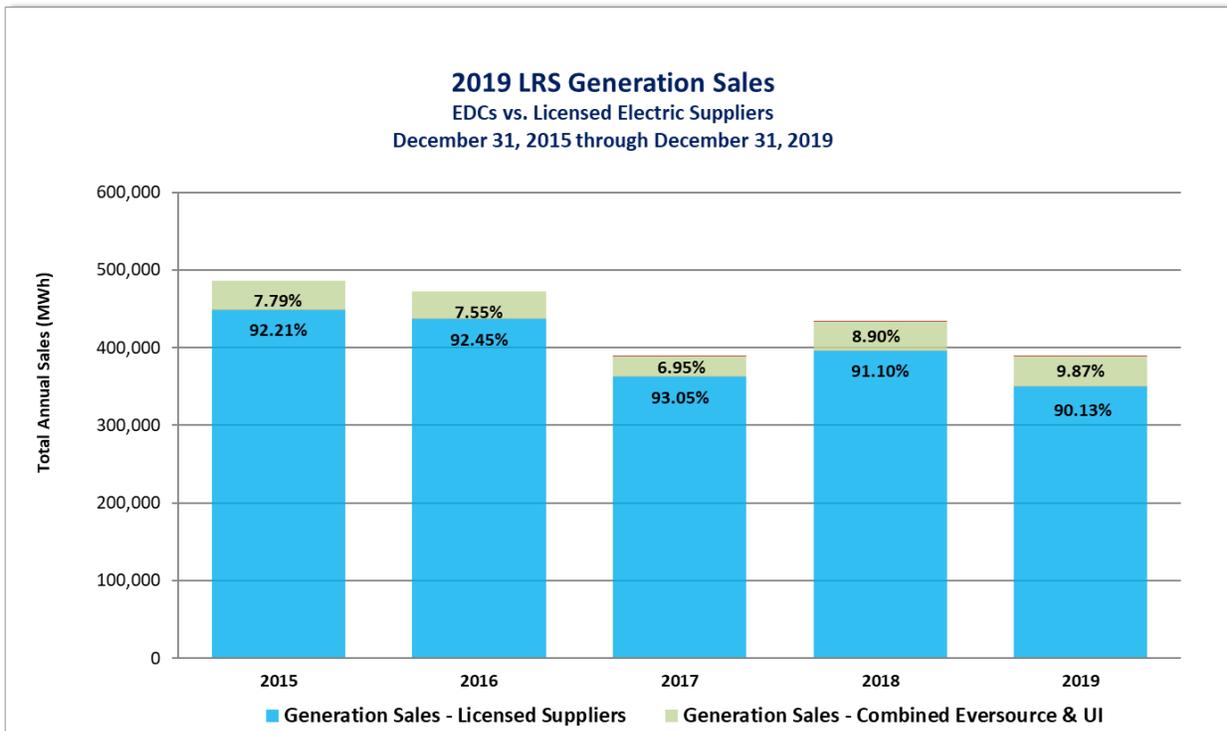


Table 6c

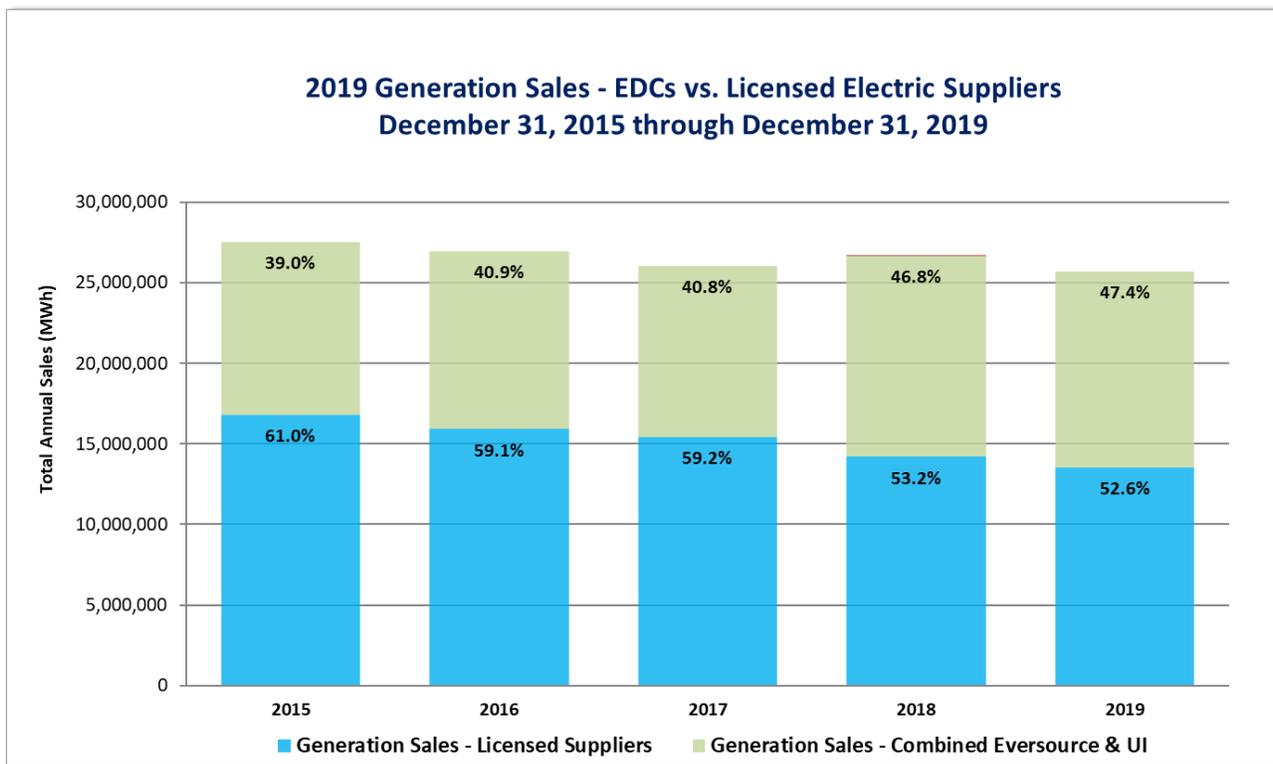


Source: Compliance Filings in Docket No. 06-10-22.

An increase in customer switches began in 2007 and lasted through 2012. Since 2013, the number of customers choosing to receive service with an electric supplier has consistently decreased. This decrease could be explained by several factors, including, but not limited to: a change in method of procuring standard service to allow it a more competitive rate; or, a diminishing differential between suppliers' charged rates versus standard service rates.

F. CUSTOMER LOAD STATISTICS

Table 7



Source: Compliance Filings in Docket No. 06-10-22.

Table 7 compares the combined Generation Sales of Eversource and UI against Generation Sales of the electric suppliers, i.e. the total number of customers compared with the load served by suppliers. Load is also known as demand, or the amount of electrical power used by consumers.⁵ The percentage of load served by suppliers typically exceeds the percentage of customers served, as most large-use commercial and industrial customers opt to take service from licensed suppliers, while a lower percentage of residential customers do so. The large consumption associated with a comparatively smaller number of commercial and industrial customers affects these averages. Customers contracted with licensed suppliers constituted almost 53% of the total load statewide as of December 2019.

⁵ See ISO-New England Glossary, available at <http://www.iso-ne.com/participate/support/glossary-acronyms>.

G. ELECTRIC SUPPLIER CUSTOMER COMPLAINTS

The Authority's Consumer Affairs Unit (CAU) has numerous supplier-related responsibilities, such as maintaining communications between the public and PURA, aiding customers with utility-related questions and complaints, and educating customers with respect to changing conditions in the marketplace. CAU is also charged with protecting the rights of Connecticut customers who receive competitive electric generation services. Customers may contact the CAU in multiple ways: by toll-free telephone, by email, or U.S. Mail. The following reflects the number of complaints regarding electric suppliers received by the Authority for the past five years.

Table 8

Electric Supplier Customer Complaints 2015-2019

	TOTAL	BILLING	GENERAL COMPLAINT	PAYMENT ARRANGEMENT	QUALITY OF SERVICE	SLAMMING	TERMINATION
2019	201	67	75	2	10	42	5
2018	417	179	173	1	22	40	2
2017	620	150	337	3	51	76	2
2016	568	128	346	0	15	75	4
2015	802	334	293	3	36	128	8

The Authority continues to receive complaints in six main categories: billing, general complaints, payment arrangements, quality of service, slamming and termination. Calendar year 2019 saw a reduction in the number of supplier complaints overall. The Authority attributes this reduction, at least in part, to its enhanced education and outreach efforts towards making customers more aware of the electric supplier market. Ensuring residential customers monitor the Supply Summary on their bill is an ongoing effort by the Authority. As noted in the decisions listed herein, in 2019 the Authority also significantly increased its monitoring of the supplier market as a whole. Throughout 2019, Authority staff members conducted seven supplier investigations and have already begun four more in 2020. These investigations identified and remedied various regulatory violations by specific suppliers and the Authority will continue to use them as a means of ensuring suppliers are complying with applicable statutes and regulations moving forward. Marketing standards have been proposed and legislative changes have been requested that would further enhance the Authority's ability to monitor the supplier market.

H. ENERGIZECT RATE BOARD

Connecticut's EnergizeCT Rate Board (<https://www.energizect.com/compare-energy-suppliers>) provides consumers with a central location to compare offers. The Connecticut Rate Board is continually being updated, improved and streamlined. Electric Suppliers self-report by directly uploading offers to the Rate Board. This approach increases product-to-market times and provides consumers with up-to-the-moment product information. Self-reporting also allows suppliers to immediately align their website offers with those posted to the Rate Board.

According to Google Analytics:

- The Supplier choice information on the EnergizeCT.com website had over 2 million page views in 2019, by more than 257,000 different visitors;
- Customers tend to shop for a supplier more in the winter, when prices in New England are traditionally higher (winter peak).

PURA has the ability to track numerous details about submitted rate offerings. For example:

- For the year 2019, there were 1,648 offers added to the Rate Board and 1,644 removed;
- Of the offers that were added, 1,090 (approximately 66%) were residential offers while 558 (about 34%) were business offers;
- 21 suppliers were active, adding and removing offers from the Rate Board.

III. PRICE DIFFERENTIALS

Pursuant to Conn. Gen. Stat. § 16-245x(b), the Authority has calculated the price differential between residential and commercial service. In Docket No. 09-03-17, Petition of the Office of Consumer Counsel for DPUC Docket on Electric Generation Services, the Authority determined the statutorily-defined method of calculating the differential was no longer applicable due to the evolution of the market, and began to use average Standard Service residential rates compared with average Last Resort Service rates. The Authority determined this method to be more accurate and a better reflection of conditions in an expanded electric market where residential and industrial customers are choosing alternative suppliers in greater numbers than they were in 1998. Based on the revised method described in Docket No. 09-03-17, the Authority finds the following for 2019.

Table 9

<u>EVERSOURCE</u>				
YEAR	RESIDENTIAL AVERAGE	LRS AVERAGE	PRICE DIFFERENCE	% DIFFERENCE
1998	11.9500	7.8500	4.1000	34.31%
2019	9.1330	8.7850	0.3480	3.81%
<u>UI</u>				
YEAR	RESIDENTIAL AVERAGE	LRS AVERAGE	PRICE DIFFERENCE	% DIFFERENCE
1998	13.65000	8.79000	4.86000	35.60%
2019	9.78975	9.78500	0.00475	0.05%

The Authority does not find that the rate differential for electric service between residential and industrial customers has increased by three percentage points or more, in the rate years following 1998, from the rate differential that existed on January 1, 1998,

and thus concludes that it is not required to institute an investigatory proceeding at this time.

IV. CONCLUSION

The data contained in this report offers a marketplace snapshot to inform readers about the state of competition in Connecticut's electric supplier market in calendar year 2019. In 1998, the General Assembly declared that "the current method of providing electric service has involved a balancing of costs, risks and rewards for electric utilities and their customers, and therefore the transition to a competitive generation market . . . should be based on the principles of fairness and reasonableness and the result of a balance of the interests of electric customers, electric utilities and the public at large."⁶ These policy goals remain foundational, seeking to balance protection of consumers with the forces needed to sustain a competitive energy market. The Authority will continue to work with all stakeholders to ensure the realization of the General Assembly's intent as codified in Conn. Gen. Stat. § 16-244.

⁶ Conn. Gen. Stat. § 16-244(11).