



State of Connecticut
HOUSE OF REPRESENTATIVES
STATE CAPITOL
HARTFORD, CONNECTICUT 06106-1591

REPRESENTATIVE MATT BLUMENTHAL
147TH ASSEMBLY DISTRICT

LEGISLATIVE OFFICE BUILDING, ROOM 2202
CAPITOL: (860) 240-8585
TOLL FREE: (800) 842-8267
E-MAIL: Matt.Blumenthal@cga.ct.gov

CHAIR
GOVERNMENT ADMINISTRATION AND
ELECTIONS COMMITTEE

MEMBER
JUDICIARY COMMITTEE
TRANSPORTATION COMMITTEE

Via Electronic Filing

September 4, 2024

Dear Chairman Gillett and Members of the Public Utilities Regulatory Authority (PURA):

First, I thank Chairman Gillett for her dissenting vote on the initial utility rate increase, as well as her vigorous oversight of our public utilities and advocacy on behalf of Connecticut ratepayers. I strongly believe that PURA should be fully staffed with members who will subject our public utilities to similarly searching scrutiny.

I am writing to express my deep disappointment regarding PURA's decision not to reconsider the recent rate hikes. Numerous constituents have contacted me to convey their alarm about these increases and their effect on household budgets, particularly those on fixed incomes. The decision to allow Eversource and United Illuminating to recover certain costs over 10 months, rather than a longer amortization period, is contributing significantly to the rate shock they are currently experiencing.

These rate hikes place an undue burden on Connecticut residents, many of whom are already facing financial hardships. The decision not to reconsider the rate hikes disregards ratepayers' very real and pressing concerns. The impact of these rate hikes extends far beyond individual households. It could have significant ramifications for Connecticut businesses, as well as the overall economic well-being of our state.

Further, they are deeply unfair. As Chairman Gillett noted in her dissent, "an amortization period of between 22 and 36 months would have been more appropriate given the anomalous series of events that led us to [the current situation.]" As she noted in her dissent to the original decision, "it is incumbent on PURA . . . that we leverage all of the tools at our disposal to mitigate and smooth rate shock for all of our ratepayers. Today's decision fails to do so." I agree completely.

I urge PURA to reevaluate its position and give due consideration to the overwhelming negative impact of these rate hikes. It is essential that the regulatory authority acts in the best interests of the public and ensures that utility costs remain reasonable and fair for all consumers. Under Conn. Gen. Stat. § 4-181a(4)(b):

On a showing of changed conditions, the agency may reverse or modify the final decision, at any time, at the request of any person or on the agency's own motion.

The procedure set forth in this chapter for contested cases shall be applicable to any proceeding in which such reversal or modification of any final decision is to be considered. The party or parties who were the subject of the original final decision, or their successors, if known, and intervenors in the original contested case, shall be notified of the proceeding and shall be given the opportunity to participate in the proceeding. Any decision to reverse or modify a final decision shall make provision for the rights or privileges of any person who has been shown to have relied on such final decision.

Especially considering this vote, it is prudent and appropriate to reopen the Rate Adjustment Mechanism proceeding, reconsider the hearing, issue new interrogatories, and implement the Chair's opinion on amortization. I strongly urge it to do so.

More generally, these recent rate hikes only confirm my belief that Connecticut utilities regulation is insufficiently protective of our ratepayers. We have made some progress through the 2020 Take Back Our Grid Act, as well as this year's legislation strengthening the oversight of the Siting Council over utility projects reimbursed by ratepayers, which I was proud to co-author. But despite PURA's denial of several rate hikes, Connecticut ratepayers still pay the second-highest electricity rates in the continental United States. This is unjustified and unacceptable.

We must significantly strengthen our performance-based ratemaking regime and take further measures to protect ratepayers against unwarranted or insufficiently substantiated rate hikes. Additionally, as previously mentioned, PURA should also be fully staffed with members who will appropriately weigh the Authority's duty to protect ratepayers.

Thank you for your attention to this important issue.

Respectfully,

A handwritten signature in black ink that reads "Matt Blumenthal". The signature is stylized and cursive.

Representative Matt Blumenthal
147th District – Stamford

CC: Office of Consumer Counsel
Office of the Attorney General
Office of the Governor