

# The Office of Attorney General William Tong

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Press Releases



## STATE OF CONNECTICUT ATTORNEY GENERAL WILLIAM TONG

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### Consumer Advisory: AG Tong, Consumer Counsel Katz Warn Ratepayers of Potential Errors on Electric Bills

#### **Known error can show incorrect rate for some customers of third-party electric suppliers**

Reforms passed in 2014 created new consumer protections for customers of third-party electric suppliers, but one reform – a disclosure of the next month's electric rate on your electric bill – hasn't worked as it should. In some cases, electric bills have reported a completely inaccurate rate.

While a fix is in the works, Attorney General William Tong and Consumer Counsel Elin Swanson Katz said today that consumers who purchase electricity from third-party electric suppliers should carefully review their electric bills, and report any irregularities to state regulators. Customers should also carefully consider whether they are getting the best deal or whether a switch to the standard service rate would help save them money.

"While some people do experience savings by shopping the electric supplier market, many consumers are still being overcharged to the tune of millions of dollars each year, and this billing problem only compounds the issue," said Attorney General Tong. "I urge all Connecticut residents who shop in the electric supplier market to watch their bills closely and report any problems that you find while efforts to correct this billing issue are underway."

"This issue can really hit consumers in their wallets," Consumer Counsel Katz said. "If you purchase electricity from an electric supplier, as opposed to Eversource's or United Illuminating's 'standard offer' rate, please compare the rate you're charged to the rate promised on your bill in the prior month. We are working with the companies involved to fix the problem, but unfortunately, it's going to take months to correct."

For consumers who purchase electricity in the competitive market, the supplier's rate for the next

month is required to be shown under either "Next Cycle Rate" for Eversource customers or "Cycle Rate" for United Illuminating customers. However, proceedings before the state's regulator, the Public Utilities Regulatory Authority (PURA) have brought to light that many electric suppliers haven't been accurately reporting their monthly rates. For some customers, the Next Cycle Rate (or Cycle Rate for United Illuminating Customers) item on the bill may list an inaccurately low price that will not reflect what customers will actually be charged in the next month's bill. That is, customers may in the next month actually pay a higher rate than the rate shown as the Next Cycle Rate from the month before. While PURA has ordered the problem fixed, the information technology systems will take into at least mid-2019 to finalize.

The problem only impacts customers of third-party electric suppliers. Customers who have opted to use the standard service rates provided by Eversource and UI are not impacted, and currently pay 10.14 cents per kilowatt hour (kWh) and 11.23 cents per kWh respectively on rates in effect until June 30, 2019.

Members of the public who experience this billing irregularity are encouraged to report their experiences to the PURA at [pura.executivesecretary@ct.gov](mailto:pura.executivesecretary@ct.gov) (<mailto:pura.executivesecretary@ct.gov>), referencing Docket No. 14-07-19RE05. Consumers can also call PURA toll-free at 1-800-382-4586 (inside Connecticut), 860-827-2622 (outside Connecticut), or TDD 860-827-2837.

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