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**Consumer Alert: Eversource and United Illuminating File New and Increasing Supply Rates with PURA for January 1, 2023 - June 30, 2023**

**Standard Service Electricity Price Increase Overview**

Pending approval by the Public Utilities Regulatory Authority (PURA), based on filings by The Connecticut Light and Power Company, d/b/a Eversource Energy ("Eversource") and the United Illuminating Company today, the supply portion of electric bills for customers paying the Standard Service supply rate is scheduled to increase on January 1, 2023, as follows:

<b>CL&amp;P/Eversource Fixed Standard Service Residential Rate</b> (Per kWh of customer usage)		
1/1/2022	7/1/2022	<b>1/1/2023</b>
\$0.11484	\$0.12050	<b>\$0.24172</b>

<b>United Illuminating Fixed Standard Service Residential Rate</b> (Per kWh of customer usage)		
1/1/2022	7/1/2022	<b>1/1/2023</b>
\$0.106731	\$0.1062	<b>\$0.2249</b>

The scheduled increase will affect Connecticut customers of Eversource and United Illuminating who have their electricity supplied directly from Eversource or UI, as opposed to from a third-party supplier.

- This will impact the average Eversource residential customer using 700 kWh per month by increasing a monthly bill by approximately **\$84.85**.
- This will impact the average United Illuminating residential customer using 700 kWh per month by increasing a monthly bill by approximately **\$83.09**.

The main reason for the supply rate increase is the global impact of Russia's invasion of Ukraine, which has caused higher prices for oil and natural gas globally and here in the U.S. Connecticut, like all New England states, is heavily reliant on natural gas for electricity, and, therefore, when the market price of natural gas increases, supply rates also increase.

Information is provided below on how consumers can seek financial assistance with electric and heating bills, third party supplier information, and energy conservation and efficiency programs that can help reduce bills.

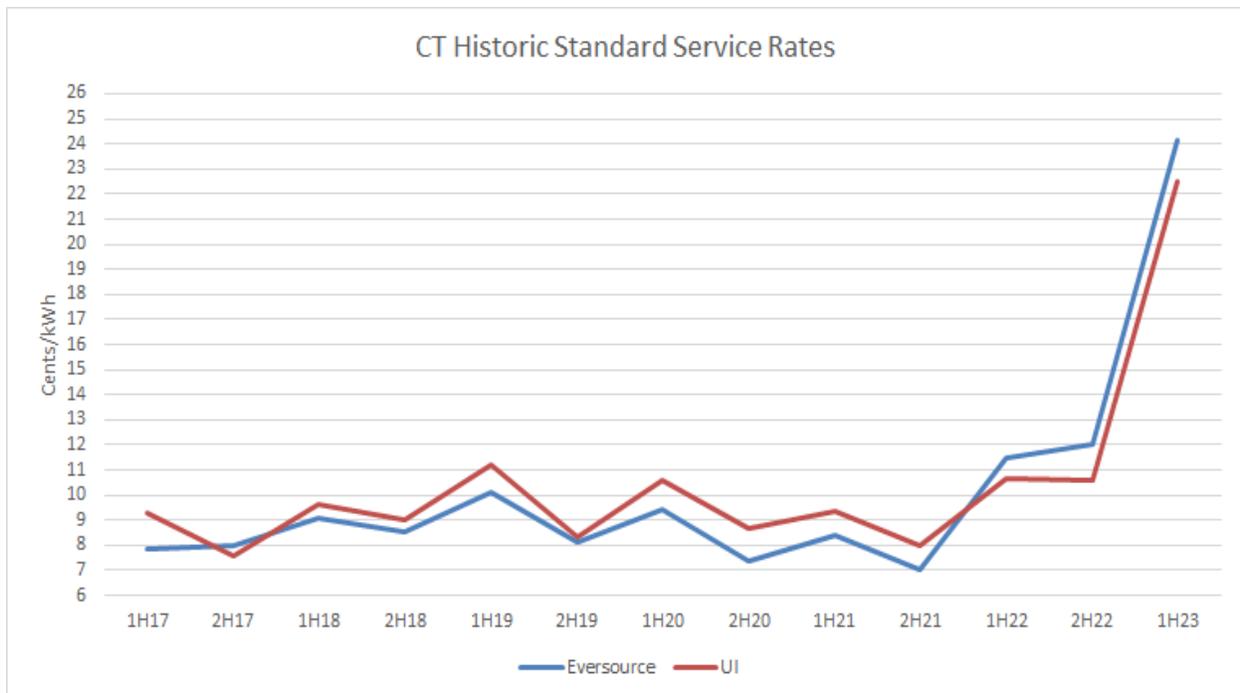
## **Standard Service Electricity Price Supply Rate Details**

- Eversource Supply Rate - **\$0.24172/kWh**
  - 90% of Eversource Customers are currently on standard service
  - The average residential customer using 700 kw can expect to see an approx. bill increase of **\$84.85** for January over December's bill.
  - Standard Service Customers will experience a 100.59% increase over the rate from July 1-December 31, 2022 (\$0.12050/kWh); and for comparison this represents a 110% increase over last year's winter energy prices (the rate from January 1-June 30, 2022 was \$0.11484/kWh).
- United Illuminating Supply Rate - **\$0.2249/kWh**
  - 83% of UI Customers are currently on standard service
  - The average residential customer using 700 kw can expect to see an approx. bill increase of **\$83.09** for January over December's bill.
  - Standard Service Customers will experience a 111.77% increase over the rate from July 1-December 31, 2022 (\$0.1062/kWh); and for comparison represents a 110.71% increase over last year's winter energy prices (the rate from January 1-June 30, 2022 was \$0.106731/kWh).

The supply rates are directly affected by the natural gas market price, which is the fuel used to generate the majority of Connecticut's electricity. When the market price of natural gas increases, supply rates also increase.

The oil/natural gas markets are global, and the market price of natural gas is affected by many factors. Russia's war in Ukraine has created volatile energy markets and is putting upward pressure on oil and natural gas prices. Even though the United States only imports a small amount from Eastern Europe, the disruptions are affecting prices worldwide, including in the United States and particularly in New England, where we still rely heavily on natural gas and on Liquefied Natural Gas (LNG), which has been in higher demand in Europe resulting in significant increases to the price of LNG, which sets the market price. These factors have impacted Connecticut's procurements this summer and fall, despite Connecticut's proactive procurement practices and efforts to insulate against natural gas price volatility.

Below is a chart showing rate changes in standard service over the last five years:



The standard service rate is a pass-through rate, meaning the money you pay to your regulated electric distribution company is passed on directly to the supplier from whom they purchase the electricity you use. Eversource and United Illuminating do not derive any profits from the Standard Service rate.

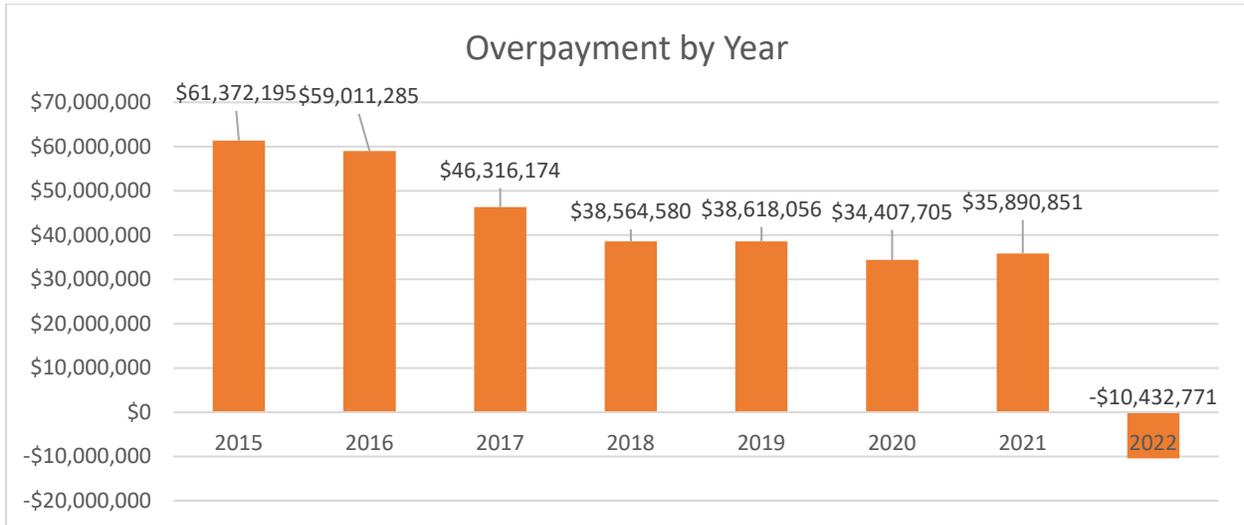
### **Third Party Supplier Market Information**

Connecticut is a deregulated state when it comes to energy supply. This means that you do not have to purchase energy from the local utilities, and instead can opt to sign up with a 3<sup>rd</sup> party electric supplier.

Consumers often look to mitigate the impacts of the higher-than-normal utility standard service rates by participating in the 3<sup>rd</sup> party electric supplier market. This however comes with its own risks. OCC recognizes the short-term savings opportunities that third party suppliers may offer and cautions customers to be vigilant when purchasing electricity from a 3<sup>rd</sup> party supplier.

- According to the latest [OCC Monthly Fact Sheet](#), customers on a 3<sup>rd</sup> party supplier contract have paid \$300,639,737 more than Standard Service customers since tracking began in January 2015.
- However, during the past year 3<sup>rd</sup> party supplier customers have seen a savings over standard service customers due to the current unique energy landscape. Between January and September of this year, 3<sup>rd</sup> party supply customers have saved a combined \$10,432,771.

- Additionally, in September, 78% of 3<sup>rd</sup> party supplier customers in Eversource territory, and 62% of supplier customers in UI territory paid rates lower than the utility standard service rate.
- This is most likely due to long term contracts that were locked in when energy prices were substantially lower than they currently are.



- As of the date of this alert (November 17<sup>th</sup>, 2022), there are currently 16 rates for each utility territory on the [energizect rate board](#), that are lower than the utilities' upcoming standard service
- The OCC recommends using the newly updated [energizect rate board](#) for customers considering participation in the supplier market. The rate board is the most clear and concise way to compare supplier rate offers.
- Consumers should always check the rate board as opposed to relying on tele-sales or door-to-door sales, which can sometimes include aggressive or misleading marketing tactics.
- Note that many supplier contracts are for periods longer than the utilities' standard service rate, which is 6-month intervals. OCC recommends continuing to track utility standard service rates as they change every 6 months to see if a supplier contract is still economical.
- OCC encourages supplier customers to be vigilant and to review current contracts. Specifically, when does your contract expire and at what rate will you potentially be auto-renewed?
  - Historically, auto-renewal rates are usually substantially higher than your initial contracted supplier rate. It is also often higher than the utility standard service rate.
  - If you do not actively switch suppliers or choose to go back to standard service, you will be auto renewed. However, by law suppliers must send a letter informing you of your new contract before auto-renewal.

- If looking into participating in the supplier market, be aware that suppliers:
  - Cannot charge sign-up fee
  - Cannot charge monthly fees in addition to your contracted price of supply
  - Cannot advertise a “teaser” rate followed by a substantial rate increase
    - Rates must be at least 4 months in term length
  - Cannot charge an early termination fee
  - Are not affiliated with Eversource or UI
  - Are not affiliated with PURA, DEEP, OCC, or any state or federal government agency
  - Are not participating in a “state sponsored” program
- If you already have a third-party supplier, some relevant supplier contract information can be found right on your [Eversource](#) or [United Illuminating](#) electric bill. This info includes:
  - Supplier name, supplier rate, term of contract, expiration of contract, the rate you will be charged your next bill cycle, and any cancellation fees.
- In sum, OCC is aware that it could be beneficial to take advantage of party market options considering high standard service rates; but urges consumers to be vigilant about reviewing rate offers including renewal and auto-renewal provisions.

## **Recommended Paths to Lowering Bills**

### ***Utility Bill Payment Plans & Assistance***

If you need assistance paying your utility bill both [Eversource](#) and [UI](#) offer bill assistance options to help:

- Eversource: Call 1-[800-286-2828](tel:800-286-2828) (electric) or [800-438-2278](tel:800-438-2278) (gas); or visit: <https://www.eversource.com/content/ct-c/residential/account-billing/payment-assistance>
- UI: Call [800.722.5584](tel:800.722.5584) or visit <https://www.uinet.com/account/waystopay/help-with-bill>

### ***State and Federal Assistance***

**Connecticut Energy Assistance Program (CEAP)**<sup>1</sup> benefits are also still available. Basic benefits toward heating bills range between \$410 and \$1,015, depending on the household’s income level.

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<sup>1</sup> [CEAP](#) is a federally funded program that provides winter heating assistance to more than 75,000 income-eligible households every year. Families may also be eligible for matching payment plans, protection from shutoffs, and replacement or repairs for heating equipment and water heaters. Both homeowners and renters are eligible, and assistance is available for natural gas and electric heat, as well as deliverable fuels like oil and propane.

The CEAP is administered through the Department of Social Services (DSS) and local Community Action Agencies (CAAs) across the state. In addition to applying online at [ct.gov/heatinghelp/apply](https://ct.gov/heatinghelp/apply), residents can also contact their local CAA with additional questions or to apply for assistance in-person or over the phone. ([Click here](#) to find CAA contact information.)

**Operation Fuel Assistance** – Operation Fuel provides emergency energy and utility assistance to households in Connecticut facing financial crisis. Call (860) 243-2345 or visit <https://operationfuel.org/gethelp/>

### **Conservation & Energy Efficiency**

OCC urges customers to use conservation measures to reduce energy use to the extent possible. Energy efficiency measures can be one of the easiest and most cost-effective ways to reduce energy costs for consumers.

Homes that participate in energy efficiency programs see an average of \$200-250 dollars in savings on their annual energy bills, and more if they install additional measures such as insulation.

Customers can visit <https://energizect.com/resources-for/sf-homeowners> to explore potential energy efficiency and renewable energy measures that may help lower your electricity usage.

**If you have any questions or concerns, please feel free to contact the OCC or PURA:**

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