

REGULATORY FLEXIBILITY ANALYSIS **(FORMERLY SMALL BUSINESS IMPACT STATEMENT)**

SECTION A

Date: June 9, 2021

Agency Submitting Proposed Regulation: Public Utilities Regulatory Authority

Proposed Regulation Title: Licensing Electric Suppliers

Prior to or concomitant with the posting of a notice pursuant to C.G.S. § 4-168a, as amended by Public Act 16-32, each agency shall prepare a regulatory flexibility analysis. Agencies must complete this document and upload it into the eRegulations System prior to posting the Notice of Intent described in C.G.S. § 4-168(a)(1). This document will automatically publish to eregulations.ct.gov at the time the filing agency posts the Notice of Intent.

Reminder: Pursuant to C.G.S. § 4-168a(c), prior to the adoption of any proposed regulation that may have an adverse impact on small businesses, each agency shall notify the Department of Economic and Community Development and the joint standing committee of the General Assembly having cognizance of matters relating to commerce of its intent to adopt the proposed regulation.

Scope and Objectives of the Proposed Regulation (mandatory for all filers):

The purpose of the proposed regulations is to revise the Public Utilities Regulatory Authority's (PURA) existing regulations implementing Conn. Gen. Stat. § 16-245. The amendments update the regulations with the current name of the agency, Public Utilities Regulatory Authority, and revise regulations concerning the licensing of electric suppliers, post-licensing requirements, and security requirements. The substantive amendments are necessary and appropriate to address issues that the Authority has consistently encountered in its regulation of electric suppliers and to address changed circumstances that have arisen since the initial adoption of the regulations in 1999 and since the last amendments to the regulations in 2004 and 2005.

The proposed amendments change the review cycle for electric supplier licenses from every 5 years to biennial. The proposed amendments raise the fee for applications to become a licensed electric supplier and the fee for the periodic reviews conducted by the Authority.

The proposed amendments require electric suppliers to provide additional information to PURA and the public. For licensing, electric suppliers will be required to provide information on investigations by regulatory agencies in other states. After licensing, electric suppliers will be required to provide the Authority with responses to customer inquiries or complaints, and to provide specific information on their websites, including the supplier's official name and trade name(s), all PURA dockets specifically pertaining to the supplier, customer service contact information, PURA contact information, information concerning all generally available offers, renewable products, sources of renewable energy, standard contracts, enrollment forms, and any other information deemed necessary by the Authority. Electric suppliers will have to follow specific rules when posting to the Rate Board, including honoring all generation rates the supplier has posted to the Rate Board, self-reporting all generally available generation offers, ensuring generally available rates are all-inclusive, and cross-posting rates that appear on the supplier's own website. Electric suppliers will also have to follow specific rules when posting rates to their own website. These amendments will ensure the public is receiving all pertinent information to make decisions regarding electric suppliers.

The proposed amendments change and generally increase security requirements according to a new schedule. The proposed amendments link the security to a supplier's renewable portfolio standards

responsibilities. The Authority will have the discretion to amend the schedule and to additionally increase security if an electric supplier's renewable portfolio standards obligations exceed 1,000,000 MWh.

These amendments are not expected to affect small businesses directly except for those electric suppliers that qualify as small businesses. However, since electric suppliers provide electric generation services and these regulations therefore concern standards for service businesses, pursuant to Conn. Gen. Stat. § 4-168a(d), the requirements of Conn. Gen. Stat. § 4-168a do not apply to these regulations.

Please check the appropriate box:

- ☐ The regulatory action will not have an effect on small businesses. *If you check this box, do not complete SECTION B.*
- ☐ The regulatory action will have an effect on small businesses, but will not have an adverse effect on such small businesses. *If you check this box, complete SECTION B.*
- ☐ The regulatory action may have an adverse effect on small businesses, but no alternatives considered would be both as effective in achieving the purpose of the action and less burdensome to potentially effected small business. *Note: alternatives considered may include those listed in C.G.S. § 4-168a(b)(6). If you check this box, complete SECTION B.*
- ☐ The regulatory action will have an adverse effect on small businesses that cannot be minimized in a manner that is consistent with public health, safety and welfare. *If you check this box, complete SECTION B.*

SECTION B

For regulatory actions which affect or may affect small businesses, please provide responses to the following:

Types of Businesses Potentially Affected by the Proposed Regulation:

Total Number of Small Businesses Potentially Subject to the Proposed Regulation:

Will small businesses, in order to comply with the proposed regulation, have additional requirements as listed in C.G.S. § 4-168a(b)(4)? If so, identify the requirements and provide an explanation for each.

Has the agency communicated with small businesses or small business organizations in developing the proposed regulation and the regulatory flexibility analysis, if applicable? If so, to what extent?

Does the proposed regulation provide alternative compliance methods for small businesses that will accomplish the objectives of applicable statutes while minimizing the adverse impact on small businesses? If so, to what extent?