

NEM responds to Connecticut Consumer Counsel report

The National Energy Marketers Assn (NEM) reviewed current power prices available to consumers in Connecticut and found that if all residential customers switched to the cheapest competitive option at the start of this year, they collectively could have saved \$166 million. That figure is based on the difference between the costs of utility standard service and the cheapest offer available from the retail market.

“Today, 40% of Connecticut households are taking advantage of unique products and services that they can’t obtain from their regulated utility – products that provide electricity price certainty, renewable energy from wind and solar and energy efficiency products such as smart thermostats that help you control your usage and lower your bills,” NEM President Craig Goodman said in prepared remarks.

The NEM analysis was released after Connecticut Consumer Counsel Elin Swanson Katz released a study last week, which found that customers of retailers paid \$58 million more than they would have on utility service. Retail suppliers in 2015 served about 33.55% of Eversource Energy residential customers and 37.84% of United Illuminating’s (UI) – and of those, 64.21% paid more than the Eversource’s rates and 59.82% paid more than UI’s, that report said.

“One of the trends we have seen in analyzing this data

is that those supplier customers who pay more than standard service often pay much more, while those who save money often only save a small amount,” Katz said in prepared remarks. “This may be due to higher prices in automatically renewed contracts, after an initial contract period with attractive pricing expires.

“I encourage customers who want to contract with an electric supplier to be mindful of the end of the initial contract period and to shop for the best rate or switch to standard service at the end of that contract period.”

Customers should make good choices about their power plans and think about which product is the best for them and their family by being informed and active shoppers, NEM said. The group’s goal is to ensure that Connecticut consumers have a vibrant market where individuals can best meet the needs of themselves and their families.

“Connecticut has implemented many robust consumer protections,” Goodman said. “However, what Connecticut needs is more competition. The greatest consumer protection the government can offer its citizens is the right to buy what they want, from whom they want and only in the amounts they want.

“Forcing consumers to buy competitive products and services from monopolies at monopoly prices undermines both innovation and competitive prices.”