



Testimony of AARP CT
H.B. 5348, AAC The Study of Community Choice Aggregation
Energy and Technology Committee
March 5, 2020
Submitted by John Erlingheuser, AARP Connecticut

AARP is a nonpartisan, social mission organization with an age 50+ membership of nearly 38 million nationwide, and nearly 600,000 members here in Connecticut. AARP supports livable communities for all ages, aging in place initiatives and financial opportunity and resiliency for everyone as they work age and retire. We are before the General Assembly every year on a multitude of bills that support these issues.

AARP opposes Community Choice Aggregation (CCA), but not the intent or motives of the proponents of the policy. We believe that the objectives that CCA policy attempts to achieve can be accomplished through means less harmful to ratepayers, who already pay the highest electric rates in the continental United States.

If Connecticut pursues CCA as a policy it will serve to increase electric rates for the majority of ratepayers in Connecticut. CCA would allow towns to enter into long term contract arrangements by switching every town residents supplier over to a third party electric supplier with the promise of more green options and lower rates. AARP believes that this policy will cause higher electric rates by destabilizing the scale of the standard service pool of customers by pulling large communities of people off the pool, thereby decreasing and decreasing the scale which keeps the price stable. Additionally, the prospect of communities being able to come on and off the standard offer pool would increase the risk premium associated with the standard offer, thereby raising rates.

The most egregious component to a CCA arrangement is that the town or regional organization would be granted the right to switch the electric supplier of everyone in their jurisdiction, without their prior consent. AARP recently did a poll of voters in Connecticut age 50 and older on the notion of allowing this. Voters overwhelmingly oppose allowing towns to automatically enroll town residents as a group with a third party supplier without prior written consent. Nearly nine in ten (87%) strongly or somewhat oppose this, including over three in four (77%) who “strongly” oppose. While more than eight in ten voters oppose this regardless of political affiliation, Independents (90%) are more likely than Democrats (83%) to oppose it, with Republicans (87%) in the middle.

AARP would be happy to share information with the commissioner of DEEP that will support our assertions when she begins this proposed study if this committee passes HB 5348.