

Senate Transportation & Energy

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SB22-090 Severe Weather Notifications To Utility Customers

Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
David Wilhide For Self	<p>I would like to express my support for SB22-090. The Colorado Public Utilities Commission has failed to establish adequate consumer protections for gas utility users in Colorado. I can't think of another product where the consumer commits to a purchase without knowing the price. The existing system passes on the real time cost of natural gas to the consumer without the consumer having any knowledge of that cost at the time of consumption.</p> <p>Natural gas is a necessity for heating and electricity production. Yet consumers are required to purchase gas without knowing the price they are committed to pay. Deregulation does not work if the consumer is not aware of pricing. In the most recent example of winter storm Uri, if consumers had known in real time the costs of natural gas not only could they have taken steps to reduce consumption to lower their own costs, perhaps with enough conservation the crisis could have been averted entirely.</p> <p>The responsibility for this failed system rests with the Colorado Public Utilities Commission. This bill is a small step in correcting their poorly designed system.</p>

TESTIMONY OF BILL LEVIS, AARP VOLUNTEER LEGISLATIVE ADVOCATE
IN SUPPORT OF SB22-090
BEFORE SENATE TRANSPORTATION & ENERGY COMMITTEE
Faith Winter, chair; Jeff Bridges, vice chair;
Kerry Donovan; Dennis Hisey; Ray Scott
APRIL 19, 2022, 2 PM

I am Bill Levis, an AARP volunteer legislative advocate and former consumer counsel for the Office of Consumer Counsel representing residential, small business and agricultural consumers in electric, gas and telecom proceedings before the state Public Utilities Commission for five years through 2013.

On behalf of its 670,000 members in the state, AARP Colorado strongly supports SB22-090, a bill that would required public utilities, but not municipal utilities, to notify customers when there is a severe weather event that would greatly impact the cost of energy.

As an example of what currently is done, Xcel encourages its 1.5 million customers, the vast majority of whom are residential, to install saver's switches to dampen the use of electricity through cycling air conditioners off and on when the weather gets extremely hot. Xcel pays over 400,000 customers \$40/year to do so. Utilities should be able to do the same thing in the winter when the weather gets extremely cold or the cost of natural gas spikes as it did in February 2021.

Even though Xcel hedges on energy prices by buying natural gas futures to lessen the possibility of price spikes, it doesn't always work in total since other utilities and states also bid for these resources during cold snaps as there were last winter. It also can be exacerbated when other states and utilities are regulated differently or not at all, as in the case of Texas.

This legislation would require public utilities to notify their customers through two sources, such as email, texting, instant message, voice mail and phone calls, to let them know that rates will be going up and that they should consider lowering their usage to lessen their cost.

The use of email, texting and voicemail is nothing new to Xcel that uses them to notify customers of the installation of smart meters and other services. Using them to notify consumers of soaring energy costs is the least utilities should do, especially in this era of increasing prices. For example in the last four years, Xcel has asked the PUC for two general rate increases for electricity and two for natural gas. In addition, the General Assembly enacted a number of laws in 2019 and 2021 that will put the cost of converting to renewables on consumers and not on the utilities.

For all these reasons, AARP Colorado strongly supports SB 90.

Thank you.