

Testimony at the State Legislature

Concerning Energy in support of Bills 5783, 5815 and 5819

March 7, 2008

Statement: Bill HB7432 and the DPUC did more economic damage to Connecticut than any legislation in a very long time.

HB 7432 gave electric companies HUNDREDS OF MILLIONS OF DOLLARS THAT WAS SLIPPED INTO THIS BILL JUST BEFORE THE VOTE BY THE LEGISLATURE WAS TAKEN, ON TOP OF A 50% UI AND 37% CL&P RATE INCREASE. The length of the bill and the short time allotted to read this bill, caused the legislators to quickly vote for it- it would be interesting to know what leaders suggested that this be passed and for what reasons. Words that come to mind when you read about this travesty are: greed, egotistical behavior, violation of public trust, are just some reactions we get from the public and small business owners.

It is important to note that not all legislators voted for this bill, some of you are sitting here today on this committee to others on the committee that voted for this bill I would have to ask, who do represent? Certainly not the citizens of Connecticut! Also not all DPUC commissioners voted for the 50% and the 37% increases, two out of the five voted against the increases, with one of them indicating that **“with passage of these electrical rate increases there will not be enough monies for road construction and bridge repairs, this will be the death knell for Connecticut”**. Ironically, Governor Rell came out recently in the newspaper indicating that, “Connecticut will not have enough money to cover proposed road and bridge repairs”, we are starting to see the problems that high energy costs are bring to our state. The foreclosure rate and people failing to meet their bills can not be blamed totally on the sub-prime mortgage market, energy costs has to also take the blame.

Small business concerns and the consequences for tax revenues

Small businesses in New Haven, Hamden, East Haven, Milford, Berlin, North Haven to mention a few. **Throughout the state, small businesses have curtailed their hours of operation or are on the brink of closing or have closed.** Anyone that picks up a newspaper reads the higher taxes they pay, higher food costs for restaurants, and now higher utility costs. One restaurant owner in North Haven said, “what am I suppose to charge for a cup of coffee \$5?”. A drycleaners in East Haven mentioned that they could not pass the higher costs of energy on to their customers, they would have to settle for less profit and longer hours working. A chiropractor in West Haven mentioned his utility bill went up 75%, Medicare continues to pay him \$10 co-pays, he can't charge customers

his increased costs. These are just some examples of the comments we have received from business people in all areas of Connecticut.

The consequences are dire- fewer small businesses operating, fewer tax dollars for towns, fewer tax dollars for the state and program cuts in education, road repair, health services for both towns and the state.

There is a solution, there is hope

In consultation with Yale scientists these suggestions arose

- Re-regulate the energy industry for Connecticut starting now with monies placed not in non-renewables such as oil or coal but instead in renewables, wave generation of electricity in a regional co-operative with other states, solar power, thermal power. We have to back a winner, eventually we will have to invest in these alternatives, why not now!
- In the meantime lower these energy costs by rebates, windfall taxes for the poor and working poor that can not afford electricity.
- Make the process of energy purchase and production transparent, people can see and be involved in the process.
- A new DPUC or equivalent agency that does not have individuals appointed by the Governor and whose members support the public good not the private good.
- Finally, adopt the motto similar to the one the doctors have, "do no harm" instead expand the motto to read, "Legislators and DPUC do no harm to the citizens of Connecticut" and put the motto above the legislative and DPUC doorways.

Remember: Progress requires legislative commitment and action!

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