

**TESTIMONY OF
JOHN FAMIGLIETTI
SECRETARY AND PART OWNER
EDSON MANUFACTURING INC
ENERGY AND TECHNOLOGY COMMITTEE
February 24, 2009**

February 23, 2009

RE:HB6507 An Act Concerning Reducing and Stabilizing Electric Rates for Residential and Business Customers

Senator Fonfara, Representative Nardello, and members of the committee:

My name is John Famiglietti. I am Secretary and part owner and operator of Edson Manufacturing Inc of Wolcott, Ct. Having been recently made aware of the bill HB 6507 An Act Concerning Reducing and Stabilizing Electric Rates for Residential and Business Customers, I appear here to testify in support of this bill as I believe the current system is broken and the legislature needs to fix it.

The current system of purchasing electricity is hurting manufacturers in Connecticut. In the fall of 2006 we were purchasing electricity from CL&P. I was faced with threat of increasing electric rates threatening to spiral out of control. Burdened with trying to run the business and faced with lengthy hard to understand contracts, I signed onto a three year contract with an alternative supplier. I then believed it was the only way to stabilize the situation. Not having an attorney review my contract turned out to be a bad decision. The contract was hidden with ancillary charges and in the end turned out to be actually no better than if I had stayed with the current supplier. When did it become necessary to have an attorney to purchase electricity? The process of buying electricity is costly in time burdening business even further.

In the past 5 years prior to the increases, we invested to become more efficient through upgrades in various areas with programs offered by CL&P. These measures have I been useful but all the savings we achieved have been taken away by the increases of the past 3 years. The cost of electricity has almost doubled in 3 years.

The results of higher electricity costs adversely affect our businesses by the inability to upgrade equipment and by keeping our business from hiring new people resulting in lack of growth. We must hold off on investing and struggle waiting to see what the next contract increases bring.

I would ask that as this committee reviews this situation that they consider the consequences of not changing the current system in place. All manufacturers are suffering from the present way electricity is being brokered. Manufacturing is a vital part of our economy. If the current system continues, we must ask can we afford to let our state become less competitive, losing more jobs, and revenue or will we support manufacturers and the value they bring to the economy.

I thank you very much for allowing me to speak on behalf of this bill and look forward to a favorable resolution to this problem.

John Famiglietti