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**TESTIMONY OF GEORGE LACAPRA JR
PRESIDENT AND OWNER OF QUALITY ROLLING &
DEBURRING CO., INC. THOMASTON**

**FEBRUARY 24, 2009
ENERGY AND TECHNOLOGY COMMITTEE
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 George LaCapra Jr and I am here today to testify in support of bill HB 6507: An Act concerning Reducing and Stabilizing Electric Rates for Residential and Business Customers. I own a metal finishing facility in Thomaston and as a 3rd generation family owned business I am here today to express my concern about the high cost of electricity in this state and its impact on my business. Simply put the well-intentioned system that passed legislation ten years ago is broken and too complicated. Competitive contracts are too complex and become increasingly frustrating for the average business owner like myself to understand. Instead we feel no other choice but to sign a contract with a competitive supplier whose price is just below the artificially inflated benchmark rate so that we can prevent huge future increases.

As a metal finisher that derives much of its final product from electricity to generate its revenue, I have seen my electricity costs rise from 3.5% of sales in 2004 when the standard offer ended to 11% of sales in 2008 while my top line revenue grew 15% during that same period. Ten years ago electricity was a line item on my budget that garnered little attention but today it is one of the largest line items on my budget. Being a regional business that competes from state to state, bearing these additional costs while my competitors from surrounding states enjoy lower prices burdens my business and makes me less competitive. I have taken advantage of conservation and energy efficiency measures by changing out my lighting every four years with the last change out happening in 2008 but I feel as though these

measures are predicated on artificially high prices which allow some of our in-state generators to reap extraordinary profits. In the past those measures were taken to gain a competitive advantage over our out of state competition where you could reinvest your savings back in your business with capital purchases but today those savings are used to run my day to day operations in order to survive. My business philosophy has always been to reinvest, create jobs and pay taxes but today I cannot do that.

This bill is important to the viability of my business long term because it would give larger electricity customers like myself more options to reduce their costs. Prices would be more stable and predictable and this new rate option would promote real competition just like we face in the real world today and something that is lacking with the current system. The new rate will become a price suppliers must beat to attract customers and return the pricing of electricity on the basis of cost instead of an artificially high ceiling benchmark rate. I ask you today to act responsibly for the residential and business customers of this great state of Connecticut who are at the mercy of this broken system and are fighting to save their homes, businesses, jobs and everything they have worked so hard to enjoy.

Thank you!