

RICHARD BLUMENTHAL
ATTORNEY GENERAL



55 Elm Street
P.O. Box 120
Hartford, CT 06141-0120

Office of The Attorney General
State of Connecticut

*TESTIMONY OF
ATTORNEY GENERAL RICHARD BLUMENTHAL
BEFORE THE ENERGY AND TECHNOLOGY COMMITTEE
FEBRUARY 3, 2009*

I appreciate the opportunity to support House Bill 6304, An Act Concerning Municipal Electric Costs.

This legislation, offers the opportunity for school districts and municipalities to reduce their electricity costs by allowing them to obtain electricity through the standard offer that is now limited to residential customers and small businesses, provided the district or municipality agrees to stay on the standard service for not less than six months.

Currently, municipalities and school districts must obtain electricity through the so-called competitive market, using electricity aggregators or brokers. They lack authority to take advantage of the standard offer used by most residential customers even though the standard offer may provide electricity at a lower cost than what brokers may be offering.

House Bill 6304 simply provides another option for schools and towns looking to reduce expenses during tough economic times. These governmental entities should not be locked out of an opportunity to purchase electricity at a cheaper price through the standard offer. Moreover, by adding more potential customers to the standard offer, electricity rates may be lower for residential customers as well since there will be more market purchasing power for the standard offer.

I urge the committee's favorable consideration of this commonsense approach to lower electricity costs.