



Retail Energy Supply Association

Testimony in Support of HB 5465 with proposed changes
Submitted to the Energy and Technology Committee
March 9, 2010

Good Morning Members of the Energy and Technology Committee,

On behalf of the Retail Energy Supply Association, I would like to offer this testimony in support of House Bill 5465, with recommended changes to section 17. RESA is a trade association of competitive retail energy supply companies committed to the development and growth of a robust, vibrant and sustainable retail energy market in Connecticut.

As currently proposed, Section 17 of House Bill 5465 would impose new Class III renewable requirements on existing contracts between competitive retail electric suppliers and their customers, which could cause financial harm to both parties as well as risk forward contracting risk and discourage forward load and supply commitments made by suppliers in the State. By applying this proposed standard on existing contracts, suppliers and customers will begin to avoid long-term contracts, for fear of undue regulatory risks. As the bill is currently written, load serving entities would have no real incentive to enter into forward Class III supply arrangements, defeating the goal of increasing the Class III requirement.

RESA would **recommend including** the following language after line 318 of the bill:

The Class III procurement requirements as amended by this section shall not apply to retail electricity sales by any electric supplier under any contract executed on or before January 1, 2011.

This suggested language would reduce the risk currently presented in section 17 by “grandfathering” existing contracts executed before or on the date of this bill’s enactment. With the suggested change RESA would fully support H.B. 5465.

Sincerely,

Jay Kooper
President, RESA

RESA’s members include ConEd Solutions, Inc; Direct Energy Services, LLC; Exelon Energy Company; GDF SUEZ Energy Resources NA, Inc.; Gexa Energy; Green Mountain Energy Company; Hess Corporation; Integrys Energy Services, Inc.; Just Energy; Liberty Power; RRI Energy; Sempra Energy Solutions LLC. For more information, contact RESA Executive Director Tracy McCormick at (717) 566-5405, or visit www.RESAUSA.org.
ESAUSA.org.