



**Retail Energy Supply Association**

Testimony in Support of HB 1081 with proposed changes  
Submitted to the Energy and Technology Committee  
March 1, 2011

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 1081, with recommended changes to section 1. 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 1 of House Bill 1081 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 on line 62 of the bill after the last underlined word appearing in the current draft:

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, 2012.

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  
Chair, Connecticut Lobbying Group  
RESA

RESA's members include: Champion Energy Services, LLC; ConEdison Solutions; Constellation NewEnergy, Inc.; Direct Energy Services, LLC; Energy Plus Holdings, LLC; Exelon Energy Company; GDF SUEZ Energy Resources NA, Inc.; Green Mountain Energy Company; Hess Corporation; Integrys Energy Services, Inc.; Just Energy; Liberty Power; MXenergy; NextEra Energy Services; Noble Americas Energy Solutions LLC; PPL EnergyPlus; Reliant Energy Northeast LLC and TriEagle Energy, L.P.