



Retail Energy Supply Association

Testimony for House Bill 5543

Submitted to the Energy and Technology Committee

March 20, 2012

Good Morning Members of the Energy and Technology Committee,

The Retail Energy Supply Association (“RESA”) submits this testimony in **opposition** to H.B. 5543 (An Act Concerning The Creation and Expansion of Municipal Utilities). RESA, a trade association of 21 competitive energy suppliers¹, many of whom are or are affiliates of Fortune 500 and Fortune Global 500 companies, is committed to the development of a robust, vibrant and sustainable energy market in Connecticut – a market that has provided ample choices of value-added products and services to Connecticut residents and businesses.

RESA submits this opposition to H.B. 5543 because in its current form this bill – particularly Section 2(d) – would effectively end electric retail competition for Connecticut consumers located within an expanded municipal utility

According to the Public Utilities Regulatory Authority, as of February 29, 2012, 678,788 customers representing 67% of the total statewide electric load, 92% of the entire large commercial and industrial electric load, 80% of the small and medium-sized commercial customer electric load and 46% of the residential customer electric load is served by a competitive electric supplier. For Connecticut consumers, the competitive choice model has been an undisputed success by every objective measure. It has provided customers with ample

¹ RESA’s members include: Champion Energy Services, LLC; ConEdison *Solutions*; Constellation NewEnergy, Inc.; Direct Energy Services, LLC; Energetix, Inc.; 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; MC Squared Energy Services, LLC; Mint Energy, LLC; NextEra Energy Services; Noble Americas Energy Solutions LLC; PPL EnergyPlus, LLC; Reliant; TransCanada Power Marketing Ltd. and TriEagle Energy, L.P.. The comments expressed in this filing represent the position of RESA as an organization but may not represent the views of any particular member of RESA.

choices of electric products that can provide them with cost savings, price stability, access to renewable energy and energy efficiency, and other innovations that customers value.

Section 2(d) of House Bill 5543, however, takes away from residents and businesses who have overwhelmingly found value in competitive choice the right to choose solely because they are located in a municipality that has decided to become part of an expanded area of a neighboring municipal utility. At a time when Connecticut residents and businesses are searching for choices to help their bottom lines, removing from customers the right and ability to choose merely by virtue of the township in which they are located can harm these customers at a time when they can least afford it. Rather than leaving Connecticut residents and businesses – who have overwhelmingly embraced electric choice – with fewer options, the State of Connecticut should embrace policies that provide customers with as many options as they can access.

Section 2(d) of House Bill 5543, by taking away the customer's right to shop and choose an electric supply product that best fits their needs, represents remarkably bad public policy. Accordingly, RESA recommends the removal of Section 2(d) from House Bill 5543, and absent this measure **opposes** House Bill 5543.