



**Testimony
Elizabeth Gara
Executive Director
Connecticut Water Works Association (CWWA)
Before the
Energy Committee
March 20, 2012**

CWWA has concerns regarding Section 1 of HB-5542, An Act Concerning Consumer Protection for Utility Customers, which requires the disclosure of the salaries of certain executives of public utility holding companies and limits the ratepayer funds used to compensate such executives.

Given the complexity and critical nature of water utility operations, the water industry must be positioned to attract and retain the best and the brightest to provide the necessary leadership and oversight. We are concerned that imposing a limit on the executive compensation of private water utilities without any consideration of the size or complexity of the organization will undermine the ability of private water utilities to attract talented, qualified individuals.

For private water companies, water utility executive compensation is already reviewed by state agencies and considered in making decisions regarding rates. Water utilities are allowed by law to recover reasonably incurred costs to provide service, as determined by the Public Utilities Regulatory Authority. In addition, the Office of Consumer Counsel is authorized to request intervenor status and may weigh in on compensation issues. And, under a 2008 PURA docket, utilities must provide standardized reporting of compensation information, including an indication of what portion of the executives' salary is charged to Connecticut ratepayers.

CWWA therefore does not believe any further legislation is warranted in this area and recommends the deletion of these provisions.

The Connecticut Water Works Association, Inc. (CWWA) is an association of private, municipal and regional public water supply utilities serving about 2½ million people located throughout Connecticut.