

Testimony of the Connecticut Municipal Electric Energy Cooperative

On Senate Bill 334

An Act Concerning Minor Revisions to the Energy and Technology Related Statutes

The Connecticut Municipal Electric Energy Cooperative (CMEEC) is submitting this testimony in opposition to the removal of Section 4(e) from Raised Bill 334 An Act Concerning Minor Revisions to the Energy and Technology Statutes.

Section 4(e) contains language enacted in Public Act 14-94, authorizing CMEEC, which supplies power to municipal electric utilities on a not-for-profit basis, to contract with the State's purchasing pool or any energy improvement district for the supply or management of power. When supplying power to the purchasing pool or an energy improvement district, CMEEC must do so through the competitive procurement process administered by the Department and also comply with the state's renewable portfolio standard.

CMEEC is a not-for-profit public power entity that provides electric services to several municipal electric utilities and participating wholesale electric customers located in Connecticut. The municipal electric utilities, in turn, provide electricity to roughly 70,000 residential, commercial/industrial and small business customers located across the state. CMEEC is headquartered in Norwich, Connecticut.

Established in 1976 as a publicly directed joint action supply agency, CMEEC is governed by a member-based Board of Directors. Our mission and operating principles are founded on state statutes, CMEEC bylaws and a long-standing commitment to serve community-based utilities.

CMEEC is responsible for the financing, acquisition and construction of generating resources and implementation of power supply contracts for the purpose of furnishing low-cost and reliable electric power to its members and participants. Electric energy purchase contracts and other resources obtained by CMEEC provide the basis for supplying power to each of the community-owned utilities. The utilities in turn distribute the power at retail to local homes and businesses at the lowest prices in Connecticut.

The removal of section 4(e) is not a minor revision to the statutes. Removal of these provisions would restrict our ability to compete for a contract with the purchasing pool or energy improvement district. We were able to compete in the Department's initial solicitation, and although we were not awarded the initial contract, preserving our ability to compete to provide these services helps to assure that the purchasing pool and energy improvement districts have all available options to assure the best possible result. Our member utilities offer some of the lowest power supply rates in the region. By preserving our ability to compete, the state and purchasing pool members retain the option for an

already established public power entity within the State to submit a proposal and perhaps achieve lower prices for participants. If this section is removed, those choices are narrowed considerably.

As we understand it, the impetus for the bill was lack of clarity in how these supply contracts could be executed by the State. We are happy to work with the Department in fashioning a bill that would solve the procurement issue and also retain the option for us to compete in providing these services. Thank you for your attention.