

New England Energy Alliance

May 7, 2010

The Honorable M. Jodi Rell
Governor of Connecticut
State Capitol
210 Capital Avenue
Hartford, CT 06106

Dear Governor Rell:

On behalf of the New England Energy Alliance (NEEA), I am writing to respectfully request that you veto energy legislation LCO 5273 because it will dampen competition and choice in the electricity industry and is out of step with the preferences of the majority of Connecticut consumers.

A poll conducted in April by Opinion Dynamics Corp. for NEEA found that a compelling 88 percent of Connecticut consumers support electricity competition. In addition, more than 75 percent believe that competition among private companies is the best way to lower prices rather than by creating greater state authority over the electricity industry.

Fully 75 percent of Connecticut consumers felt it was extremely important that the Legislature focus on job creation and economic development – while just 24 percent had the same feeling about additional regulation of electricity companies.

A recent NEEA report demonstrates how the competitive market in Connecticut is working to the benefit of both consumers and the environment through: significant additions of cleaner electricity generation; increased energy efficiency across all customer segments; more in-state renewable resources; and an increasingly competitive and robust retail market that enables consumers to shop for lower-priced electricity.

Since 2005, there has been triple-digit growth in the number of customers served by competitive suppliers. Today, alternative suppliers serve 20% of all customers and supply half of all electricity consumed in the state. Connecticut's competitive electricity market has attracted 35 companies that are investing substantial capital in the state and employing hundreds of residents.

Passed without hearings and after limited debate, LCO 5273 would alter how electricity is marketed in Connecticut and how utilities' standard service is procured. It would also raise serious questions regarding Connecticut's continued participation in the New England wholesale electricity market, where prices have declined by nearly 50 percent over the last year. If enacted, the bill will put at risk the ability of competitive energy companies to expand their business in the state and deliver more savings, innovation, and clean energy options to Connecticut consumers.

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NEEA, a coalition of regional energy companies and trade organizations concerned about the reliability and affordability of energy supplies, urges Connecticut to stay the course and build on the progress now being realized due to competitive reforms in the electricity sector.

NEEA stands ready to work with your staff regarding this important legislative item and would welcome the opportunity to answer any questions your office may have. I can be reached directly at 617-856-8430 or at pafonso@brownrudnick.com.

Thank you for your consideration of this matter.

Sincerely,

A handwritten signature in black ink that reads "Paul Afonso". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Paul G. Afonso
Executive Director