



Allan Brison

Ward 10 Committee Coordinator

Utility Rate Hikes

As many of you know, our electric utility rates are going up by 50% over the course of the next few months. CT now has the HIGHEST UTILITY RATES in the continental US.

The utility rate increases will hit hardest senior citizens, the poor, and small businesses, many of which will have to close.

All of us will be affected. The rate hikes are just one more burden facing New Haven's residents, together with:

- increased property assessments,
- yearly increases in the mill rate, and
- decreased Federal spending on domestic programs.

These increases are a direct result of the de-regulation legislation passed unwisely by the CT General Assembly in 1998. With de-regulation, the state lost control of the generation of electricity and the bidding process through which that electricity is procured.

The rationale was that de-regulation would promote competition, thus allowing market forces to keep rates down. For a while it seemed to be working. New companies entered the field, BUT eventually they all failed, leaving us with a monopoly again, but this time an un-regulated one.

The rate hikes that we are now experiencing were entirely predictable and reminiscent of the disaster that occurred in California.

What is needed is SERIOUS RE-REGULATION. Many states, Montana, Nevada, Arkansas, Oklahoma, and now Illinois, have realized that the de-regulation experiment has failed and have passed corrective legislation. We must do the same.

At the very least we need to consider Attorney General Richard Blumenthal's proposals of a Wind-Fall Profit Rebate to Consumers, and a CT

Energy Procurement Authority. These measures would allow rate-payer relief in the short term, while correcting the loss of control over the procurement process in the long run.

Instead, the Energy Committee of the General Assembly is considering sham bills that will do little or nothing to regain control of the situation. Energy policy in CT, as set out by the CT Energy Advisory Board (CEAB) report, is being written by the Utilities themselves with the goal of maximizing share-holder's profits at the expense of the rate-payer. This needs to change.

Intelligent, comprehensive energy policy should:

- RE-REGULATE utilities
- be FULLY ACCOUNTABLE with a transparent bidding process,
- RECOUPLE ENERGY GENERATION AND DISTRIBUTION
- provide PROTECTIONS FOR THE CONSUMER against windfall profits,
- require utilities to provide RATE RELIEF for those in need,
- encourage investment in SUSTAINABLE ENERGY SOURCES,
- contain incentives to promote CONSERVATION, and
- facilitate and support the expansion of the successful MUDs (MUNICIPAL UTILITY DISTRICTS) such as the one in Wallingford, that has enabled these municipalities to bypass the rate hike.

I am the transportation coordinator of FIGHT THE HIKE, an ad hoc group of citizens formed to fight these increases. Please call for more information, and how to become involved.

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New Haven Green Party

