

Legislative History for Connecticut Act

SB 0939 PA 313 1997

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S-406

CONNECTICUT
GEN. ASSEMBLY
SENATE

PROCEEDINGS
1997

VOL. 40
PART 4
1083-1433

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141

Senate

Wednesday, April 16, 1997

THE CHAIR:

Without objection, so ordered.

SEN. JEPSEN:

Calendar 165, File 181, SB1031, I move referral to the Joint Committee on Legislative Management.

THE CHAIR:

Without objection, so ordered.

SEN. JEPSEN:

File 166, I'm sorry, Calendar 166, File 190, SB1187 is PR'd.

Page 13, Calendar 167, File 194, Substitute for SB427, I move referral to the Committee on General Law.

THE CHAIR:

Without objection, so ordered.

SEN. JEPSEN:

Calendar 171, File 217, Substitute for SB939, I move referral to the Committee on Planning and Development.

THE CHAIR:

Without objection, so ordered.

SEN. JEPSEN:

Calendar 172 is PR'd.

Calendar 173 is PR'd.

Calendar 174, File 216, Substitute for SB926, I move to the Committee on Government, Administration and

S-413

CONNECTICUT
GEN. ASSEMBLY
SENATE

PROCEEDINGS
1997

VOL. 40
PART 11
3551-3899

Department will have to furnish extracts of unemployment compensation wage, and claim records to the national director. The bill clearly delineates what the responsibilities will be of the Labor Department along with the Department of Social Services in order for the state to qualify for federal dollars in the new Welfare-To-Work program.

Madam President, if there is no objection, I move this to the Consent Calendar.

THE CHAIR:

Motion is to refer this item to the Consent Calendar. Without objection, so ordered.

THE CLERK:

Calendar Page 12, Calendar 171, File 217, Substitute for SB939. AN ACT CONCERNING MUNICIPAL ELECTRIC ENERGY COOPERATIVES. Favorable Report of the Committee on Energy and Technology, Planning and Development. Clerk is in possession of three Amendments.

THE CHAIR:

Senator Peters.

SEN. PETERS:

Thank you Madam President. I move the Joint Committee's Favorable Report and passage of the bill.

THE CHAIR:

Question is on passage. Will you remark?

SEN. PETERS:

Thank you Madam President. What this bill does is allow municipal electric cooperatives to connect and contract with any entity outside of the state in wholesale power transactions.

They will be regulated by FIRC, in the same manner as other wholesale power transactions. And the bill allows cooperatives to perform all or some of its functions to a wholly or partially owned corporation, or business entity. I would ask, Madam President, the Clerk to call LCO-6041.

THE CLERK:

LCO-6041, which will be designated Senate Amendment Schedule A. It's offered by Senator Peters of the 20th District.

THE CHAIR:

Senator Peters.

SEN. PETERS:

Thank you Madam President. I move the Amendment.

THE CHAIR:

Question is on adoption. Will you remark?

SEN. PETERS:

Thank you Madam President. What this Amendment does is, pardon me, it clarifies that the cooperatives

may only spin off to a corporate or business entity solely for the whole transactions, and makes the bill effective July 1, 1997. And I urge its adoption.

THE CHAIR:

Question is on adoption of Senate Amendment A. Will you remark further? Will you remark further? If not, I will try your minds. All those in favor indicate by saying aye.

SENATORS:

Aye.

THE CHAIR:

Opposed nay. Aye's have it. Senate A is adopted. Will you remark further on the bill? Senator Peters.

SEN. PETERS:

Thank you Madam President. I would ask the Clerk to call LCO-9762.

THE CLERK:

LCO-9762, which will be designated Senate Amendment Schedule B. It's offered by Senator Peters of the 20th District.

THE CHAIR:

Senator Peters.

SEN. PETERS:

Thank you Madam President. I would urge its adoption.

THE CHAIR:

Question is on adoption. Will you remark?

SEN. PETERS:

Thank you Madam President. What this LCO, Amendment does is allows municipal utilities providing electric service to provide telecommunications services as defined in Section 16-247a of the General Statutes within their service territory on the same basis and under the same requirements and restrictions as other competitive providers of the telecommunication service.

It also states that a municipality must receive the approval of its CEO and a two-thirds vote of its legislative body. And I would urge its passage.

THE CHAIR:

Question is on adoption of Senate Amendment B. Will you remark? Senator Cook.

SEN. COOK:

Thank you very much Madam President. I rise in support of this Amendment and wish to thank Senator Peters for bringing out this Amendment, which carries both my name and Representative Winkler, and Representative DeMarinis from Groton. And I urge its support by the Chamber. Thank you.

THE CHAIR:

Thank you Madam. Will you remark further on

Senate Amendment B? If not, I will try your minds.

All those in favor indicate by saying aye.

SENATORS:

Aye.

THE CHAIR:

Opposed nay. Aye's have it. Senate Amendment B is adopted. Will you remark further on the bill as amended? Senator McDermott.

SEN. MCDERMOTT:

Thank you very much Madam President. I too would like to rise in support of the bill as amended. I want to thank Senator Peters for her work on this bill and bringing this forward today. I represent one of the six communities in the State of Connecticut that is municipally owned, the electric division is municipally owned.

And this is very important for those six communities to have their own electric division. And I urge all my colleagues to support this legislation. Thank you.

THE CHAIR:

Will you remark further on the bill as amended?
Will you remark further? Senator Peters?

SEN. PETERS:

Thank you Madam President. If there's no

objection, I would ask that this be placed on the
Consent Calendar.

THE CHAIR:

Motion is to refer this item to the Consent
Calendar. Without objection, so ordered.

THE CLERK:

Calendar 201, File 294, Substitute for SB874. AN
ACT CONCERNING TAX EXEMPTIONS FOR MULTIFAMILY DWELLINGS
IN WHICH THE OWNER RESIDES. Favorable Report of the
Committee on Housing, Planning and Development, Finance
Revenue and Bonding. Clerk is in possession of three
Amendments.

THE CHAIR:

Senator Handley.

SEN. HANDLEY:

Thank you Madam President. I move acceptance of
the Joint Committee's Favorable Report and passage of
the bill.

THE CHAIR:

Question is on passage. Will you remark?

SEN. PETERS:

I will, for purposes of discussion, yield to
Senator LeBeau.

SEN. LEBEAU:

Thank you Senator Handley.

Mr. President, the second Consent Calendar begins on Calendar Page 4, Calendar 493, HB6818.

Calendar Page 5, Calendar 531, Substitute for
HB6512.

Calendar Page 6, Calendar 544, HB5094.

Calendar 557, Substitute for HB6735.

Calendar Page 7, Calendar 566, Substitute for
HB6515.

Calendar Page 8, Calendar 569, Substitute for
HB7010.

Calendar 570, Substitute for HB7050.

Calendar Page 11, Calendar 129, Substitute for
SB1207.

Calendar Page 12, Calendar 171, Substitute for
SB939.

Calendar 172, Substitute for SB548.

Calendar Page 17, Calendar 470, Substitute for
SB1023.

Calendar Page 19, Calendar 199, Substitute for
SB894.

Calendar Page 25, Calendar 232, HB6509.

THE CHAIR:

Members are voting on the second Consent Calendar for the evening. I'm sorry Mr. Clerk. Please proceed.

THE CLERK:

Mr. President, that completes the second Consent Calendar.

THE CHAIR:

The machine is open and has been open. Have all members voted? If all members have voted, the machine will be locked.

THE CLERK:

Mr. President, the motion is on adoption of the second Consent Calendar.

Total Number Voting	36
Those Voting Yea	36
Those Voting Nay	0
Those absent and not voting	0

THE CHAIR:

Second Consent Calendar is passed. Senator Jepsen.

SEN. JEPSEN:

Mr. President, I move for immediate transmittal of all items acted upon today to the House of Representatives.

THE CHAIR:

Motion is for immediate transmittal of all items acted upon. Is there objection? Seeing none, so ordered. Senator Jepsen.

SEN. JEPSEN:

S-415

CONNECTICUT
GEN. ASSEMBLY
SENATE

PROCEEDINGS
1997

VOL. 40

PART 13

JUNE 5

JUNE 18

SPECIAL
SESSIONS

4251-4525

Without objection, so ordered.

SEN. PETERS:

On Senate Agenda No. 7, HB6980. I would move
suspension.

THE CHAIR:

Without objection, so ordered.

SEN. PETERS:

And place that on the Consent Calendar.

THE CHAIR:

Without objection, so ordered.

SEN. PETERS:

On Senate Agenda No. 8, Madam President, SB939, I
would ask for suspension.

THE CHAIR:

Without objection, so ordered.

SEN. PETERS:

And place that on the Consent Calendar.

THE CHAIR:

Without objection, so ordered.

SEN. PETERS:

On Senate Agenda No. 9, Madam President, I would
ask for suspension on HB7000.

THE CHAIR:

Without objection, so ordered.

SEN. PETERS:

Senate Agenda No. 3, HJ154.

And Senate Agenda No. 2, SR29.

Agenda No. 5, HB6369.

Substitute for HB6006.

Substitute for SB999.

Calendar, correction, Senate Agenda No. 6, HB6997.

Substitute for HB6002.

Senate Agenda No. 7, Substitute for HB6109.

Substitute for HB6980.

Agenda No. 9, Substitute for HB6935.

Substitute for HB5186.

Substitute for SB1271.

Madam President, that completes the Fifth Consent Calendar.

THE CHAIR:

Senator Bozek.

SEN. BOZEK:

Madam President, I made a mistake on Senate Agenda No. 8. I had opposed to hold off item, I'm looking for Agenda 8. That wasn't it.

Yes, 939, I wish to leave it on the Consent, I do not oppose it. Withdraw my objection.

THE CLERK:

And, Madam President, it's my understanding that on Senate Agenda No. 8, Substitute for SB939 is to be

placed on this Consent Calendar.

THE CHAIR:

I would ask the members to check carefully those items that have been called for the Consent Calendar before we roll the machine. Senator Bozek.

SEN. BOZEK:

SB 939 is on the Consent?

THE CHAIR:

Yes, Sir, it is.

SEN. BOZEK:

Thank you.

THE CHAIR:

Thank you. In that case, Mr. Clerk, would you once again announce a roll call vote. The machine will be opened.

THE CLERK:

An immediate roll call has been ordered in the Senate. Will all Senators please return to the Chamber.

An immediate roll call has been called for in the Senate on the Consent Calendar. Will all Senators please return to the Chamber.

THE CHAIR:

Have all members voted? If all members have voted, the machine will be locked. The Clerk please

take a tally. The Clerk please announce the tally.

THE CLERK:

Adoption of Senate Consent Calendar. Total number voting, 36; necessary for adoption 19. Those voting "yea", 36; those voting "nay", 0. Those absent and not voting, 0.

THE CHAIR:

Consent Calendar is adopted. Senator Peters.

SEN. PETERS:

Thank you, Madam President. At this time, I would ask the Clerk to proceed with the Go list.

THE CHAIR:

Thank you, Senator Peters. Senator Peters.

SEN. PETERS:

Madam President, I would ask that we return to the Calendar on Calendar Page 11, Calendar 447, and we proceed with that, Madam President.

THE CLERK:

Senate Calendar Page 11, Calendar 447, File 171, HB6714 An Act Concerning Drawstrings on Children's Outerwear. Favorable Report of the Committee on General Law, Judiciary, Commerce and Exports. The Clerk is in possession of an amendment.

THE CHAIR:

Senator Colapietro.

H-776

CONNECTICUT
GEN. ASSEMBLY
HOUSE

PROCEEDINGS
1997

VOL. 40
PART 18
6495-6850

kmr

House of Representatives

Wednesday, June 4, 1997

objection, so ordered. Will the Clerk please call
Calendar 705.

CLERK:

Page twenty-three, Calendar 705, substitute for
SB939. AN ACT CONCERNING MUNICIPAL ELECTRIC ENERGY
COOPERATIVES. Favorable report of the Committee on
Planning and Development.

DEPUTY SPEAKER HARTLEY:

Representative Eberle of the 15th you have the
floor madam.

REP. EBERLE: (15th)

Thank you Madam Speaker. I move acceptance of the
Joint Committee's favorable report and passage of the
bill.

DEPUTY SPEAKER HARTLEY:

Motion is acceptance and passage, will you remark
madam?

REP. EBERLE: (15th)

Yes, ma'am. This bill expands the entities with
which the municipal electric cooperatives can connect
and contract to allow them to move into the new world
of electric deregulation for out of state sales. The
Senate, or the Clerk has an amendment LCO 6041, may he
please call and I be allowed to summarize?

DEPUTY SPEAKER HARTLEY:

kmr

House of Representatives

Wednesday, June 4, 1997

The Clerk is in possession of LCO 6014, pardon me, Senate amendment LCO 6041, to be designated Senate amendment "A" will the Clerk please call.

CLERK:

LCO 6041, Senate "A" offered by Senator Peters.

DEPUTY SPEAKER HARTLEY:

Representative has asked leave to summarize, please proceed without objection madam.

REP. EBERLE: (15th)

Thank you Madam Speaker. This amendment clarifies that cooperatives may only spin off to a corporate or business entity solely for wholesale transactions, makes the bill effective July 1, 1997, and I move of its adoption.

DEPUTY SPEAKER HARTLEY:

Question is adoption of Senate amendment "A" will you remark further on Senate amendment "A"? If not, I will try your minds. All those in favor please indicate by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER HARTLEY:

Those opposed nay. The ayes have it the amendment is adopted. Will you remark further on the bill as amended? Representative Eberle you have the floor

kmr

375

006741

House of Representatives

Wednesday, June 4, 1997

madam.

REP. EBERLE: (15th)

Thank you Madam Speaker. The Clerk has LCO 9762, previously designated Senate "B" if he may call and I be allowed to summarize.

DEPUTY SPEAKER HARTLEY:

The Clerk is in possession of LCO 9762, previously designated Senate amendment "B" will the Clerk please call.

CLERK:

LCO 9762, Senate "B" offered by Senator Peters, et al.

DEPUTY SPEAKER HARTLEY:

Representative Eberle has asked leave to summarize, please proceed without objection.

REP. EBERLE: (15th)

Thank you Madam Speaker. This amendment would allow municipal utilities which provide electric services to also provide telecommunications services within their service territory on the same basis and under the same requirements and restrictions as other competitive providers of telecommunication services.

Madam Speaker, I move for it's rejection, because in a moment I will propose a House amendment that will clarify that it is for telecommunications only and not

kmr

006742
376

House of Representatives

Wednesday, June 4, 1997

for cable TV.

DEPUTY SPEAKER HARTLEY:

The motion is rejection of Senate amendment "B"
will you remark further? If not, I'll try your minds.
The motion is for rejection of Senate amendment "B".
All those in favor please indicate by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER HARTLEY:

Those opposed nay. The ayes have it, the
amendment is rejected, will you remark further on the
bill? Representative Eberle.

REP. EBERLE: (15th)

Thank you. The Clerk has amendment LCO 10109, may
he call and I be allowed to summarize?

DEPUTY SPEAKER HARTLEY:

The Clerk is in possession of LCO 10109 designated
House "A" will the Clerk please call.

CLERK:

LCO 10109, House "A" offered by Representative
Eberle.

DEPUTY SPEAKER HARTLEY:

Representative Eberle has asked leave to
summarize, without objection proceed.

REP. EBERLE: (15th)

kmr

006743
377

House of Representatives

Wednesday, June 4, 1997

Thank you Madam Speaker. This is the same as the Senate "B" but it clarifies that cable TV services are not included in the authorization and I move its adoption.

DEPUTY SPEAKER HARTLEY:

Question is adoption of House "A" will you remark further? Will you remark further on House amendment "A"? Representative Winkler.

REP. WINKLER: (41st)

Thank you Madam Speaker. I rise in support of the amendment. With deregulation on the horizon, it will level the playing field for those municipalities that want to expand their services. And I urge the Chamber's support.

DEPUTY SPEAKER HARTLEY:

Thank you. Representative Lockton.

REP. LOCKTON: (149th)

Madam Chair, a question to the proponent of the amendment.

DEPUTY SPEAKER HARTLEY:

Please frame your question madam.

REP. LOCKTON: (149th)

Thank you Madam Speaker. On line 33 it says that all certification requirement imposed by statute or ordered shall be filed and followed by the

kmr

House of Representatives

Wednesday, June 4, 1997

municipality. Does this in any way impact municipalities in how they are treating personal communication services in this state today?

DEPUTY SPEAKER HARTLEY:

Representative Eberle.

REP. EBERLE: (15th)

Madam Speaker, it would be under the current laws as to what those are.

DEPUTY SPEAKER HARTLEY:

Representative Lockton.

REP. LOCKTON: (149th)

If a community was zoning for PCS or has a control of personal communication services today, this amendment would not change that?

DEPUTY SPEAKER HARTLEY:

Representative Eberle.

REP. EBERLE: (15th)

Madam Speaker, through you, this does not affect current law on those.

DEPUTY SPEAKER HARTLEY:

Thank you madam. Representative Lockton.

REP. LOCKTON: (149th)

Thank you Madam Speaker. Thank you Representative Eberle.

DEPUTY SPEAKER HARTLEY:

House of Representatives

Wednesday, June 4, 1997

Thank you, will you remark further on House "A"?
Representative Nystrom.

REP. NYSTROM: (46th)

Thank you Madam Speaker. A question to the
proponent please.

DEPUTY SPEAKER HARTLEY:

Excuse me, will you remark further on House "A"?
Representative Nystrom.

REP. NYSTROM: (46th)

Thank you Madam Speaker. A question through you
to the proponent.

DEPUTY SPEAKER HARTLEY:

Please frame your question sir.

REP. NYSTROM: (46th)

Through the noise and din, I didn't hear all of
the responses, so if I may be permitted. Several years
ago language was passed which authorized municipalities
at local option, that should they choose to get into
the cable business, does this in any way affect that
act that was passed several years ago? Through you
Madam Speaker.

DEPUTY SPEAKER HARTLEY:

Representative Eberle.

REP. EBERLE: (15th)

Through you Madam Speaker, no in fact this

kmr

House of Representatives

Wednesday, June 4, 1997

clarification is meant to be sure that, that stays in effect and that cable TV services and the rules regarding that are not affected by this amendment.

DEPUTY SPEAKER HARTLEY:

Thank you madam. Representative Nystrom.

REP. NYSTROM: (46th)

Thank you very much.

DEPUTY SPEAKER HARTLEY:

Will you remark further on House "A"? If not I will try your minds. All those in favor please indicate by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER HARTLEY:

Those opposed nay. The ayes have it, the amendment is adopted. Will you remark further on the bill as amended? Representative Maddox.

REP. MADDOX: (66th)

Just briefly Madam Speaker, I think it's overall somewhat unfortunate. This bill was supposed to be a very small piece of energy deregulation and I guess this seems to be our, or this sessions response to energy dereg. That's somewhat unfortunate from there and I do hope that we will learn from that, although unfortunately this bill seems to be somewhat the

kmr

006747
381

House of Representatives

Wednesday, June 4, 1997

hallmark of this session, we haven't done an awful lot.

Thank you Madam Speaker.

DEPUTY SPEAKER HARTLEY:

Thank you sir. Will you remark further on the bill? If not, staff and guests please come to the well, members take your seat, the machine will be open.

CLERK:

The House of Representatives is voting by roll call, members to the Chamber. The House is voting by roll call, members to the Chamber please.

DEPUTY SPEAKER HARTLEY:

Have all the members voted? Is your vote properly recorded? If so the machine will be locked. Clerk please take a tally. Clerk please announce the tally.

CLERK:

Senate Bill 939 as amended by Senate "A" and House "A."

Total Number Voting	147
Necessary for passage	74
Those voting Yea	147
Those voting Nay	0
Those absent and not voting	4

DEPUTY SPEAKER HARTLEY:

Bill as amended is passed. Are there any announcements or points of personal privilege?

JOINT
STANDING
COMMITTEE
HEARINGS

ENERGY AND
TECHNOLOGY
PART 1
1-367

1997
INDEX

13
kmg

ENERGY & TECHNOLOGY

February 6, 1997

COMM. JACK GOLDBERG: Yes.

REP. EBERLE: Alright, so, so, because I was going to ask you, would you have any objection if we included that in there that any party actually requesting a hearing would get it.

COMM. JACK GOLDBERG: No, I have no objection to it.

REP. EBERLE: Alright.

COMM. JACK GOLDBERG: As a lawyer on the commission, I feel strongly about hearings anyway so. If somebody wants it they can have it.

REP. EBERLE: Alright, alright. Particularly if you're going to change an order you've given them.

COMM. JACK GOLDBERG: That's right.

REP. EBERLE: On their motion, not theirs. Seems to me, if they want a hearing, they should be allowed to have it.

COMM. JACK GOLDBERG: Absolutely.

REP. EBERLE: Alright. Any other questions from the panel? Thank you Commissioner.

COMM. JACK GOLDBERG: Thank you.

REP. EBERLE: At this point, although we still have an hour to run in the agency heads portion of it, we will move to the public portion. And I am going to reserve the right to allow Mr. Mazza from the OCC to use that half hour later on when his testimony is ready to be distributed to us.

But he'll be limited to the half hour that remains. So at this point, unless I have objection from anyone, at this point let's start with the public portion of the hearing, and Maurice Scully.

MAURICE SCULLY: Good morning Representative Eberle, and members of the committee. I'm here to speak on behalf of SB939, AN ACT CONCERNING MUNICIPAL ELECTRIC ENERGY COOPERATIVES.

My name is Maurice Scully, and I'm the Executive Director of the Connecticut Municipal Electric Energy Cooperative, known as CMEEC. The Connecticut Municipal Electric Energy Cooperative was authorized by state legislation in 1975.

And the legislative purpose of CMEEC is to permit the municipal utilities to join together for purposes of financing and the acquisition of bulk power supply facilities in order to furnish efficient, low cost electric power to the municipal utilities in the State of Connecticut.

Now, the changes that we have proposed to CMEEC's enabling legislation simply intended to update and modernize CMEEC's legislation to reflect the changes that are now taking place in the market place in which CMEEC operates.

The changes that are proposed in our legislation are basically two fold. First, we have added the words "or business entity" after where we have corporations. And this is just to reflect the fact that businesses in the bulk power markets are now operating in, in different forms of organizations including limited liability corporations, and limited partnerships and the like.

In other business structures in addition to simple corporations. We have added a new Section 27 to our enabling legislation, which basically follows up on this same idea of different corporate structures.

It allows the new business structures to be used by CMEEC to further, you know, provide for its, you know, basically its powers. It does not give additional powers. It only allows us to, to implement our powers through different business structures.

The second change really addresses the parties with which we can buy and sell power. In this update to reflect, we've included the words "any person without the state" and that simply reflects the change in the market place that's taking place outside of the State of Connecticut.

15
kmg

ENERGY & TECHNOLOGY

February 6, 1997

And it allows, it allows CMEEC to basically deal with other types of entities that are in the market place right now. In it's a reflection of what CMEEC would normally do in its business without the State of Connecticut.

So, in summary, the changes that we are proposing are simply a modernization and an update of our enabling legislation. And they're really just intended to allow us to be able to continue to fulfill our legislative mandate for the purposes of ensuring that CMEEC is able to provide the lowest cost and most reliable electric power supply to the municipal utilities.

I thank you for your attention. And I did hand out a copy of my testimony, and if there are any questions?

REP. EBERLE: Thank you Mr. Scully. When you ask in the new Section 27, to be allowed to do business through one or more wholly owned or partly owned corporations or other business entities. Does that contemplate that you'll be joining with non-municipal entities, with private businesses, or you know, what kind of entities would those be?

JACK GOLDBERG: It could be non-municipal entities. And it could be other municipal entities, in Massachusetts, in other states outside of Connecticut that have actually begun to investigate, you know, some of these joint ventures, or partnerships with us, and they have asked us to look at it.

So at this point it could be either, either type of business structure, depending upon what develops in the future.

REP. EBERLE: Okay. Are there other questions from the committee? Thank you Mr. Scully.

JACK GOLDBERG: Thank you.

REP. EBERLE: Jim Strillacci. And I apologize in advance if I mispronounce someone's name.

SENATE BILL 939**AN ACT CONCERNING MUNICIPAL ELECTRIC ENERGY COOPERATIVES****Testimony of Maurice R. Scully, Executive Director
Connecticut Municipal Electric Energy Cooperative (CMEEC)**

The Connecticut Municipal Electric Energy Cooperative (CMEEC) was authorized by state legislation in 1975. The legislative purpose of CMEEC is to permit municipal utilities to join together for the purpose of acquiring and financing power supply facilities in order to furnish efficient, low cost and reliable electric power to the municipal utilities in the state.

The changes that are proposed to CMEEC's enabling legislation are simply meant to modernize CMEEC's enabling legislation to reflect the change in the marketplace in which CMEEC operates.

The changes that are proposed are twofold. First we have added the words "OR BUSINESS ENTITY" after the word "corporation" to reflect that businesses operating in the bulk power markets are now organized as Limited Liability Corporations and Limited Partnerships and other business structures in addition to corporations. The new section (27) follows up on the issue of new business structures and further provides that CMEEC can exercise its authorized powers through the most appropriate business form.

The second change addresses the fact that the parties with which we can buy and sell is updated to include "ANY PERSON WITHOUT THE STATE" simply to reflect the changes that are taking place in the marketplace outside of Connecticut and the change in the type of entities that CMEEC would normally do business with outside the state of Connecticut.

In summary, the changes are simply to update our enabling legislation and are intended to continue to allow CMEEC to fulfill its legislative purpose of ensuring that CMEEC provides the lowest cost, and most reliable supply of electric power to the municipal utilities.