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CONTACT: Jennifer Millea,
jmillea@aarp.org
860-548-3164

**AARP, ENERGY ADVOCATES CALL FOR CREATION OF PUBLIC POWER
AUTHORITY TO HELP LOWER ELECTRIC RATES**

*AARP Report Outlines Challenges, Benefits of Power Authority in Bringing Competition to
Connecticut's Electricity Market*

Hartford, CT - AARP Connecticut today released a report calling for the creation of a Connecticut Power Authority to address the state's escalating electricity rates.

AARP released the report, *The Need for a Connecticut Power Authority*, at a press conference at the Legislative Office Building in Hartford where they were joined by State Attorney General Richard Blumenthal, State legislators and other energy advocates. The report, prepared for AARP by McCullough Research of Portland, Oregon, documents the challenges faced since deregulation and offers reasons why a public power authority will provide solutions to the problems in Connecticut's electricity market.

David Thomas, AARP CT's volunteer Economic Security advocacy leader, said, "Connecticut continues to face the highest electricity rates in the continental United States, despite deregulation of the energy market in 1998 that was supposed to bring competition and lower rates for consumers. With electricity prices escalating more than 100 percent, it is obvious that deregulation has not lived up to its promise. AARP's Report outlines how a Connecticut Power Authority could bring competition and better serve the interests of the state in lowering energy rates for consumers and businesses."

Attorney General Richard Blumenthal said, "This public power authority – which I first proposed and pushed aggressively more than three years ago -- would rein in a runaway market. This proposal would mean public power over private profit interests – empowering a public agency to purchase electricity, and finance, build, buy or operate power plants. A public power authority would encourage and enable cheaper power sources. Our new strategy should help cut and contain out-of-control electricity prices, which will cripple Connecticut's economy. Connecticut's electric consumers pay the second-highest power prices in the nation – prices that will continue to spiral astronomically if the state fails to act."

AARP's report recommends the creation of a Connecticut Power Authority modeled after the recently created Illinois Power Authority to bring competition in wholesale power options for Connecticut businesses and consumers. Like Connecticut, Illinois consumers faced similar challenges in the wake of deregulation, including double-digit rate hikes. As a result of public outcry, and a subsequent investigation by the state's Attorney General, the Illinois Legislature, with bi-partisan support, passed legislation in 2007 establishing a new Illinois Power Authority to oversee the energy planning and procurement process and to help develop new electric generation and co-generation facilities in the state.

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A Connecticut Power Authority could beat prevailing wholesale prices by negotiating long-term contracts with generators, or by using bonds to finance new plants that utilize more cost-effective resources. A Power Authority would provide more market oversight and transparency, ultimately acting in the interest of the state, rather than profits.

The Report suggests funding the new authority through a small surcharge on utility bills, estimated at less than 9 cents per ratepayer, per month.

Also today, AARP provided testimony to the Energy and Technology Committee in favor of H.B. 6510, an Act establishing a public power authority.

AARP will be calling on its members to contact their legislators to enlist their support during the 2009 Session. Connecticut needs rate relief now. To learn more or to view a copy of the full report, go to www.aarp.org/ct. To obtain a copy of AARP's testimony on H.B. 6510, please call Jennifer Millea at 860-548-3164.

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