

House Republican Press Release

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Energy East Overcharge Signals Needed Change



Miller Says Fifteen-Year-Old Billing Dispute Showcases Critical Systemic Failures

HARTFORD- Representative Lawrence Miller (R- 122) today renewed criticism of Energy East, parent Company of TEN Companies, Inc. which supplies heating and cooling to state buildings in the capitol area, including the Legislative office Building and the State Armory. Currently, the state disputes a charge by TEN in the amount of \$14 million for those services. Miller says the dispute, which dates back to 1992, highlights significant reasons for the state to sever its relationship with the company. The overcharges prompted Attorney General Richard Blumenthal and Public Works Commissioner James Fleming to announce a lawsuit against TEN last month.

“These state buildings do not have independent, centralized systems for heating and cooling,” said Miller. “Because of district heating, these buildings are subject to inefficient services and no price competition. On top of this, district heating is a barrier to new technologies that are more efficient and competitive.”

Miller noted that district heating is widely used in Europe, and is subject to high fossil fuel costs. These high cost are prompting authorities there to install individual meters where possible on high density buildings, and initiating tariffs for the energy. The age and construction of these European buildings make the installation of stand-alone units difficult.

“Connecticut needs to install their own stand-alone decentralized energy systems for our state buildings in the capitol region,” said Miller. “Going this route would offer the state reduced costs, reliability, as well as greater security to any threat to the overall electric grid. Distributive generation (micro-turbines) utilizing co-generation would provide heating, cooling, electricity and hot water with efficiency ratings between 70- 80%.”

Miller recalled an incident one recent summer where a power failure occurred on the capitol grid, shutting down power in the Legislative Office Building, with backup generators unable to properly power the elevators. “Given the issue of over-billing, and the failure of our back-up generators, the General Assembly should authorize immediate action to ensure continuous government and military operation, as well as save significant funds,” he said.