



STATE OF CONNECTICUT
NEWS RELEASE

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OFFICE OF CONSUMER COUNSEL PROPOSES LEGISLATION

(February 16, 2012 -New Britain, CT) - The State's Office of Consumer Counsel has submitted two proposals to be considered during the 2012 legislative session.

The first examines the issue of executive salaries by proposing revisions to *Sec. 16-44a, Disclosure of salaries of directors and officers of public service companies*. The proposal would clarify that the public service company executives' salaries and holding company executives' salaries must be disclosed.

The new language, if adopted, would limit the portion of executives' salaries that could come from ratepayers to \$350,000, but shareholders could continue to grant salaries at higher levels at their own expense.

"Ratepayers should not be on the hook for exorbitant executive salaries that, with bonuses, often run into the millions. Utility companies of course can pay their executives whatever they want from the shareholders' earnings. But when we're dealing with a regulated monopoly that provides a vital service to a captive customer basis, there should be transparency about salaries and limits on what utility customers pay," the Consumer Counsel said. "The Public Utilities Regulatory Authority (PURA, and its predecessor, the Department of Public Utility Control) have done an admirable job limiting ratepayer contributions to salaries, but we think it's time we codified this in state law."

The second proposal addresses the issue of tree trimming by amending *Sec. 16-234, Rights of adjoining proprietors*. Specifically, the changes would facilitate tree trimming and the resolution of other utility infrastructure location issues by clarifying the PURA's role and the process, along with establishing a set clearance area where an electric distribution company may trim.

Consumer Counsel Elin Katz stated that these changes have been requested by electric companies to facilitate tree-trimming around power lines. "We love our trees in Connecticut, but we also want to keep the lights on. This proposal will streamline the process for trimming around the lines and poles, making it more efficient and cost-effective, while still ensuring that homeowners have a means to raise concerns about particular situations on their property."

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The Office of Consumer Counsel (OCC) is the State of Connecticut's advocate for all utility ratepayers. OCC seeks to ensure just and reasonable rates and reliable utility service for customers of Connecticut's electric, gas, telephone, and water utilities and reasonable protection for cable television customers. For more information, visit www.ct.gov/occ.