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Connecticut Electric Ratepayers to Receive \$5 Million Benefit through Federal Settlement with Constellation Energy

For immediate release

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HARTFORD – Connecticut electric ratepayers will benefit from \$5 million through a settlement between the Federal Energy Regulatory Commission (FERC) and the Constellation Energy Commodities Group, Inc., Attorney General George Jepsen, Consumer Counsel Elin Swanson Katz and Public Utilities Regulatory Authority (PURA) Chairman Arthur House announced today.

In March, FERC reached a settlement with Constellation Energy to resolve an investigation into manipulation in energy markets, including the New England region. The settlement included a \$135 million fine paid to the federal government and a \$110 million forfeiture of unjust profits. As part of that forfeiture, Constellation was to pay \$20 million to the ISO-New England (ISO-NE) area for the benefit of consumers.

Following discussions, the involved states – Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island and Vermont – agreed on a disbursement plan based on each state’s proportional monthly energy use from September 1, 2007, to December 31, 2008. A request for disbursement was filed with FERC on November 16.

“Any manipulation in our energy markets negatively impacts consumers,” Attorney General Jepsen said. “Our goal in this matter was to provide some restitution to electric ratepayers in a fair and reasonable manner and, working cooperatively, we were able to achieve that goal. All Connecticut electric ratepayers will rightly benefit from this settlement.”

“We appreciate that FERC’s enforcement division is aggressively protecting the energy markets from manipulation,” Consumer Counsel Katz said, “and we are pleased that we were able to work cooperatively with our fellow state agencies and the other New England states to reach a fair division of the settlement. This settlement returns millions of dollars to Connecticut consumers, and helps promote the integrity of our energy markets.”

“Constellation Energy illegally manipulated the Northeast’s energy market, cheating ratepayers out of millions of dollars,” said Chairman House. “The settlement with the company sends a clear signal to energy providers that they will be held accountable when they attempt to defraud their customers.”

Connecticut’s \$5 million allocation – about 25 percent of the total disbursement to the New England states – will benefit ratepayers with Connecticut Light & Power, United Illuminating and the Connecticut Municipal Electric Energy Cooperative. All Connecticut electric ratepayers will receive credits on their electric bills beginning in January 2013.



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Assistant Attorneys General Seth Hollander and John Wright from the Office of the Attorney General, Attorney Joseph Rosenthal from the Office of Consumer Counsel and Attorney Robert Luysterborghs from PURA assisted with this matter.

[Click here to view the New England states' joint stipulation.](#)

[Click here to view FERC's allocation and distribution plan approval.](#)

[Click here to view the New England states' joint request for disbursement.](#)

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