



STATE OF CONNECTICUT
NEWS RELEASE

Consumer Counsel Mary J. Healey

FOR IMMEDIATE RELEASE

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**OFFICE OF CONSUMER COUNSEL ADVOCATES FOR \$15.5 MILLION INTERIM
RATE DECREASE FOR CONNECTICUT NATURAL GAS CUSTOMERS**

(July 16, 2008-New Britain) - The State of Connecticut Office of Consumer Counsel (OCC) today filed its brief in Docket No. 08-06-10 – *DPUC Review of Overearnings of Connecticut Natural Gas Corporation* before the Department of Public Utility Control (DPUC). OCC is seeking needed relief for customers from Connecticut Natural Gas Corporation's (CNG) recent overearnings.

OCC has made the recommendation to the DPUC that it order an interim rate decrease for the customers of CNG in the approximate amount of \$15.5 million, which equals \$0.0617 per CCF. The amount would equalize recent income results with approved rates and would provide a reduction of approximately \$60 per residential customer this year. An interim rate decrease would provide needed and appropriate rate relief to customers while still being consistent with the CNG rate settlement approved by the DPUC last year.

OCC notes that CNG did not intentionally over-earn, but they charged rates approved by the DPUC. However, circumstances that changed since the rate case likely led to the company's over-earning position. The company was authorized by the DPUC to receive a 10.1% return on equity, but at the end of twelve months the company had earned 14.27% on equity.

Consumer Counsel Mary J. Healey said that "I am respectfully urging the DPUC to order this interim rate decrease. Such a rate decrease would provide struggling ratepayers with needed assistance, and bring CNG earnings down to previously approved levels. This rate decrease is both appropriate and legal."

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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.