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**OCC PETITION FILED FOR INVESTIGATION INTO  
CONNECTICUT NATURAL GAS OVEREARNINGS**

(June 17, 2008-New Britain) - The State of CT Office of Consumer Counsel (OCC) has filed a petition with the Department of Public Utility Control (DPUC) pertaining to the level of rates approved for the Connecticut Natural Gas Corporation (CNG) in Docket No. 06-03-04PH01. The petition asks the DPUC to initiate a proceeding to determine the need for an interim decrease in rates currently being charged by CNG.

The filing of the petition stems from a state statute (section 16-19g) that requires the DPUC to hold a special public hearing on the need for an interim rate decrease when a utility such as CNG has, for six consecutive months, earned a return on equity exceeding its authorized return by at least one hundred basis points.

In March 2007, CNG was allowed a rate increase that was based on an authorized return on equity in the amount of 10.1%. Since November 30, 2007 CNG has exceeded its authorized profit level by more than 1.00%, with the most recent earnings report showing that it has earned 14.27%, which is 417 basis points or approximately \$7.9 million above its allowed level for the twelve month period ending April 30, 2008. This translates to some \$13.9 million of annual excess revenues paid by CNG ratepayers.

In keeping the best interest of Connecticut consumers in mind, Consumer Counsel Mary J. Healey urged the DPUC to grant this petition and implement an interim rate decrease stating, "in these tough economic times with ratepayers struggling to pay increased energy and household expenses, CNG should not be allowed to earn excessive profits. All customers would benefit and see relief from a rate decrease."

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*The Office of Consumer Counsel is an independent state agency whose mission is to represent the interests of all state consumers of electricity, gas, water, telecommunications and cable television*