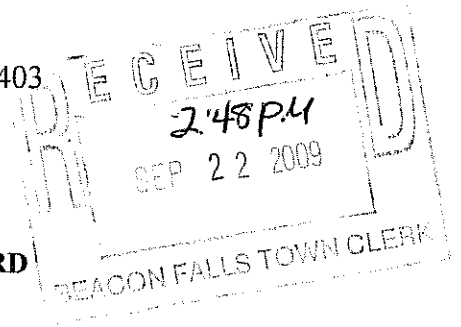


Beacon Falls Energy Improvement Board

10 Maple Avenue, Beacon Falls, Connecticut 06403
Phone: (203) 729-1441



BEACON FALLS ENERGY IMPROVEMENT BOARD SEPTEMBER 17, 2009 MINUTES

SUBJECT TO APPROVAL

CALL TO ORDER

D. Rybinski called the Regular Monthly Meeting of the Beacon Falls Energy Improvement Commission to order at 7:00 PM.

COMMISSIONERS PRESENT: A. Bosley-Boyce, R. Bradley, J. Mylen, D. Rybinski

COMMISSIONERS ABSENT: J. Burkitt

PUBLIC PRESENT: Representatives from Constellation Energy and Glacial Energy

COMMENTS FROM THE PUBLIC

Emily Neill from Constellation Energy began her presentation by speaking about the deregulation of the industry, which allows the town to choose their energy supplier. She reviewed the types of energy products and pros and cons to each product. She advised the commission that all of the many cities, towns and school systems which Constellation Energy has under contract, are on a fixed all in rate. Due to budget, ease and stability of the product, the fixed price is chosen most often.

The energy market is at the lowest price that it has been in seven years, so the commission is reviewing this process at a very good time. Emily explained that the index product is often chosen by private industry or manufacturers and offers savings if you can control usage and watch the market closely. Emily shared pricing with the group based on the town's year-end date of June 30th and she explained that contracts which end in June and December are more favorable, due to the usage patterns. Longer contracts have higher rates. Constellation Energy quoted a short term price of 8 months from October through June at 8.1 cents. The next contract period from October until December, 2010 is at a rate of 8.3 cents, then 8.6 and so on up to 3 years. Most towns choose longer terms for budgeting and forecasting purposes.

Emily took questions from the group. J. Mylen asked about the make-up and background of Constellation Energy. Emily explained the company is sizable with substantial office space and many employees. D. Rybinski asked about the number of customers in Connecticut and the number of towns under contract. Emily explained there were hundreds of customers in CT, with approximately 50 municipalities including City of Hartford and 250 to 300 municipalities throughout New England. D. Rybinski read about an allegation against Constellation New Energy. Without the details of the article, Emily could not comment.

A. Bosley-Boyce asked about the Green product available and Emily explained the renewable energy certificates that are available for purchase. The state requires that Constellation provide 7% clean energy as part of their product.

B. Bradley asked about the date of the pricing, which was quoted for September 16, 2009, rather than September 1, 2009. Constellation is not able to backdate their pricing. Emily suggested that we pick a future date and B. Bradley asked for a quote dated as of noon on Monday, September 21st for 1 year, 2 year, and 3 year terms from October to October. Constellation would be able to transact on that quote.

Doug Lombardi and Ron Horvath from Glacial Energy began their presentation by providing background and history on their company, including information on their founder and the markets where they operate. Glacial sees large suppliers benefiting larger municipalities and companies most, and they specialize in servicing the mid size and smaller company with a simple product. Glacial Energy is a supplier, not a broker or aggregator.

Doug fielded questions on the number of employees, offices, municipalities serviced, and the company's place in the market. Glacial Energy's product is not contractual, but month to month, and it is an indexed product. Glacial provided pricing for the month of September at a rate of 8.6 cents, and information showing pricing history and projections against CL&P. B. Bradley asked for pricing as of September 21 and Glacial explained that their rates change each month. He explained some of the pros and cons of their product and mentioned that if their rates escalate, a client can default to the utility. Supply and demand affect their pricing and they consider CL&P their partner in this process. Doug explained that their customers track the energy price on their invoice each month.

OLD BUSINESS & NEW BUSINESS

Dave Rybinski provided a brochure, information and fixed all-in pricing from the President of Positive Energy, LLC, who was unable to attend the meeting. The pricing showed the 12 month pricing at .0996, 24 months at .1073 and 36 month at .1093.

B. Bradley expressed that with natural gas at an all time low, a fixed price makes sense and he is not in favor of an indexed product. The board members agreed that they do not want to track an indexed product.

D. Rybinski and B. Bradley noted that the rates between the 1 year and 3 year contracts are close, with less than a penny difference over 3 years, from both Constellation and Positive Energy. Therefore, they agreed to consider a longer term contract.

B. Bradley believes Constellation meets all of the criteria put forth by the commission, as a viable company which services other municipalities. D. Rybinski is a proponent of Positive Energy, because they are local and employ local people. There are still questions about Positive Energy's customer base and history.

J. Mylen suggested that the board call a Special Meeting, once they receive the rates for Monday, September 21. The board members would also like to review the article which contained allegations against Constellation New Energy.

PAYMENT OF BILLS

Erin Schwarz presented a clerk's bill for the August meeting. B. Bradley made a motion to pay the bill. J. Mylen seconded the motion. All ayes.

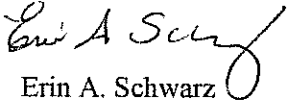
MINUTES

B. Bradley called for a motion to accept the August minutes, as presented. J. Mylen seconded the motion. All ayes.

ADJOURNMENT

D. Rybinski made a motion to adjourn the meeting at 8:28 PM. R. Bradley seconded the motion. All ayes.

Respectfully submitted,



Erin A. Schwarz
Clerk, Energy Improvement Board