

**SPECIAL MEETING
DIRECT ENERGY AFFINITY PROGRAM
April 18, 2011**

The Wethersfield Town Council held a special meeting on Thursday, April 18, 2011 at 6:30 p.m. in Council Chambers, Town Hall, 505 Silas Deane Highway, Wethersfield, CT.

Present: Drake, Kotkin, Manousos, Montinieri, Roberts and Chairperson Hemmann
Absent: Deputy Mayor Console, Councilors Hurley and McAlister.

Absent: Councilors Hurley, McAlister and Deputy Mayor Console.

Also present: Jeff Bridges, Town Manager and Dolores Sassano, Town Clerk

Chairperson Hemmann called the meeting to order.

Councilor Drake moved **“TO APPROVE THE SECOND YEAR OF THE ENERGY AFFINITY PROGRAM WITH DIRECT ENERGY WITH THE NEW PROPOSED ENERGY RATES AND THE REVISED MARKING AGREEMENT SUBJECT TO REVIEW AND APPROVAL BY THE TOWN ATTORNEY,”** seconded by Councilor Roberts.

Jeff Bridges reported The Energy Committee and the Infrastructure Committee have reviewed the proposal from Direct Energy for the second year pricing and amended agreement for the Energy Affinity Program. The highlights are as follows:

- The new non senior price will be .0799 per kWh (current price .0979). This include at .0010 per kWh civic contribution.
- The new senior price will be .0789 per kWh (current price .0881). This includes a .0010 per kWh civic contribution.
- There is a new “green power” option at .0859 per kWh. This includes a .0020 per kWh civic contribution.
- The rate will reset with the Direct Energy Friends and Family rate. We will be advised of that adjustment and the customers can call to get the new rate. This will prevent the situation we are in now with the prices moving lower than the Direct Energy fixed rate.
- The contract period will be from June to April and all contracts will expire in April regardless of when the customer signs up.
- The current program participants, whose contracts have not yet expired, will be set at the new price. They will get a letter stating that to keep that price for the next year they will have to call. (Under the terms and conditions the customers signed up for, after the expiration of the contract year the rate goes to a variable rate. Direct Energy will set the variable rate at the new proposed rate).

- For those customers that have had their rate move to the variable rate. Direct Energy will reset their rate to the previous fixed rate of .0979, or .0881 respectively and give them a credit or check for the month their rate went higher. They will then be able to join the new rate when it becomes available in May.
- Customers can leave or join the program at will without penalty.

Councilor Drake wanted to clarify that if an individual is already in the program, there is nothing that needs to be done to receive the new rate.

Councilor Kotkin noted that the First Amendment to the Marketing Agreement states “only new customers will be offered the new electricity price. Existing customers will continue to receive the energy services at the originally agreed upon electricity price, unless they call Direct Energy’s Call Center to request the new electricity price. Direct Energy will offer consumers the energy services at the electricity price, and other terms and conditions established solely by Direct Energy from time-to-time in its discretion.” Councilor Kotkin asked who this is referring to.

Jeff Bridges responded that it applies to the individuals whose contract has expired and had a variable rate. They will receive a letter and they will need to call.

Councilor Drake clarified that if during this current contract, if the rates go down, rates will only be changed if the customer calls.

Councilor Kotkin asked that the current rate will automatically reset.

Jeff Bridges noted only if your contract has not expired.

Matthew Forrest commented that the attorneys are still reviewing the contract to reflect a negotiated contract. There will be a press release if the rate drops below 6% and at that point the customer would need to call to lock into the lower rate. This is only in the instance there is a plunging electricity rate that goes below the negotiated rate.

Councilor Kotkin also asked if there was an error on the last page regarding the December 1, 2012 date, and inquired as to whether it should read December 1, 2011.

Jeff Bridges responded that this would be looked into.

Councilor Kotkin complimented the committee and Matthew Forrest on the rate which he felt was very attractive.

Matthew Forrest responded that it is currently the best rate a customer can get in the State of Connecticut.

All Councilors present, including the Chairperson voted AYE. The motion passed 6-0-0.

At 7:45 p.m. Chairperson Hemmann asked that the Special Budget Workshop Meeting adjourn briefly to allow the Town Attorney Bradley to present a brief accounting of the letter.

ADJOURNMENT

At 6:45 p.m., Councilor Manousos moved "**TO ADJOURN THE MEETING,**" seconded by Councilor Kotkin.

All Councilors present, including the Chairperson voted AYE. The motion passed 6-0-0.

Dolores G. Sassano
Town Clerk
Approved by vote of Council
May 2, 2011