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City of Milford

PressRelease

Mayor Announces Energy Savings Total $870,000 as Result of Recent Negotiations.

Additional $378,000 Saved Through Decision to Bid in Favorable Market; Recent Savings Augment Previous $508,000 Gain Through Participation in Area Energy Consortium; Mayor Also Announces Plan to Increase Energy Efficiency in City Hall.

Milford, CT, October 5, 2009: Always looking for ways to save taxpayer money, Mayor James L. Richetelli, Jr. has negotiated an estimated $378,000 savings in municipal energy costs, in addition to $508,000 the City already saves by participating in the Connecticut Conference of Municipalities (CCM) energy consortium. This brings to $870,000 the comprehensive total energy savings for the City since 2007.

For Immediate Release

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In monitoring the energy markets since July 2008, Mayor Richetelli said "extraordinary decreases" were noted, prompting his decision to enter the special pricing session organized by CCM late last month.

"This is the first time in eight years that we have been able to procure rates that were comparable to, or below, the base rates of the existing contract with Trans Canada, our supplier," the Mayor said. The norm is to see a significant step increase.

In 2007, Mayor Richetelli said the City was paying United Illuminating $.126 per kilowatt hour (kwh), under a five-year contract. Working through the CCM energy consortium that year, the City realized a 15.4% savings by procuring a rate of $.10665/kwh from Trans Canada through the expiration of the contract in 2012.

"When I opted to enter the recent special pricing session, we believed the results would be quite favorable for the City," said Mayor Richetelli.

In fact, by extending the Trans Canada contract to December 2014, the City lowered its present $.10355/kwh rate to $.09845/kwh for an additional 5% savings. "From the $.126/kwh that the City was paying in 2007 to the new

rate, Milford has lowered its municipal energy costs by nearly 22%," Mayor Richetelli explained.

"The prices bid recently were lower than those procured in the fall of 2005," the Mayor said. "We certainly didn't know how long this favorable market window will last, so good management dictated immediate action to lock in these favorable rates."

One of the next places Mayor Richetelli will look for energy savings is right inside City Hall. The Mayor has authorized the conversion of 72 incandescent bulbs with compact florescent bulbs for an estimated annual savings of $1,138. This amount represents the gross projected savings of $1,498 minus the $360 cost of purchasing the energy efficient bulbs. Mayor Richetelli said the areas affected would be the aldermanic chambers, the lobby and hallways.

"We haven't factored in the savings from reduced air conditioning related to using the new 'cool' technology," Mayor Richetelli said. "But this move toward greater energy efficiency is expected to pay dividends for the taxpayer for many years."