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House of Representatives COMMONWEALTH OF PENNSYLVANIA HARRISBURG

February 13, 1996

TO: All House Members

FROM: Representative Paul W. Semmel **P.W.S.** 187th Legislative District

SUBJECT: Proposed Legislation

I will be introducing legislation that addresses the problem of overpriced nonutility generation (NUG) contracts and their negative impact on the Commonwealth's economic climate.

The legislation I am proposing encourages utilities and NUG developers to negotiate changes in their contracts in order to reduce the impact of overpriced NUG power on the Commonwealth and its citizens. This bill can positively impact Pennsylvania's economic development and employment climate by reinforcing the state's ability to reduce projected electricity costs by billions of dollars, helping Pennsylvania attract and retain businesses and jobs, and grow in the global marketplace.

This legislation can also result in a cost savings for our constituents by lowering their electric bills in the future. As a result of potential buy outs or buy downs of non utility generation contracts, our constituents will experience significant reductions in their monthly electric bills because the costs for electricity would be less when compared to the amount they would pay under existing contracts with non-utility generators.

Attached is a copy of my bill. If you would like to cosponsor this important piece of legislation, please contact my office at 787-3017 by March 11, 1996.

Attachment

PWS/prh

COMMITTEES:

AGRICULTURE AND RURAL AFFAIRS APPROPRIATIONS COMMERCE AND ECONOMIC DEVELOPMENT CONSUMER AFFAIRS MAJORITY SUBCOMMITTEE CHAIRMAN ON TELECOMMUNICATIONS

PENNSYLVANIA HERITAGE AFFAIRS COMMISSION