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 FAX (860) 727-4141

January 30, 2008

The Honorable M. Jodi Rell  
 Governor  
 State of Connecticut  
 Executive Chambers  
 State Capitol  
 Hartford, CT 06106

**RE: Connecticut General Statutes, Section 1-123 and  
 Connecticut General Statutes, Section 22a-268e  
 Connecticut Resources Recovery Authority - Annual Report Requirements – Fiscal Year 2007**

Dear Governor Rell:

Enclosed herewith is information submitted to meet the Connecticut Resources Recovery Authority's (the "Authority") fiscal year 2007 Annual Report requirements under Sections 1-123 and 22a-268e of the Connecticut General Statutes ("CGS"). Also enclosed is the Authority's Annual Financial Report for the Year Ended June 30, 2007 and Independent Auditor's Report (the "Audit").

<b>Required Submission under CGS Section 1-123:</b>	<b>Location:</b>
(1) A list of all bond issues for the preceding fiscal year, including, for each such issue, the financial advisor and underwriters, whether the issue was competitive, negotiated or privately placed, and the issue's face value and net proceeds;	Tab 1
(2) a list of all projects other than those pertaining to owner-occupied housing or student loans receiving financial assistance during the preceding fiscal year, including each project's purpose, location, and the amount of funds provided by the agency;	Tab 2
(3) a list of all outside individuals and firms receiving in excess of five thousand dollars in the form of loans, grants or payments for services, except for individuals receiving loans for owner-occupied housing and education;	Tab 3
(4) a balance sheet showing all revenues and expenditures;	Tab 4
(5) the cumulative value of all bonds issued, the value of outstanding bonds, and the amount of the state's contingent liability;	Tab 5
(6) the affirmative action policy statement, a description of the composition of the agency's work force by race, sex, and occupation and a description of the agency's affirmative action efforts; and	Tab 6
(7) a description of planned activities for the current fiscal year.	Tab 7
<b>Required Submission under CGS Section 22a-268e:</b>	
A description of efforts to mitigate the effects of Authority-Enron-Connecticut Light and Power Company transaction.	Tab 8

Please contact me if you have any questions or concerns regarding the enclosed.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael A. Pace". The signature is fluid and cursive, with a large, sweeping initial "M".

Michael A. Pace  
Chairman of the Board

Enclosure: Fiscal Year 2007 Annual Financial Report

cc: State Auditors of Public Accounts  
Legislative Program Review and Investigations Committee (2 copies)  
General Assembly's Joint Standing Committee for Finance, Revenue and Bonding  
Thomas Kirk, President  
James Bolduc, Chief Financial Officer  
Laurie Hunt, Esq., Director of Legal Services  
Chrono File

## **1. BONDS ISSUED DURING FISCAL YEAR 2007**

There were no bonds issued by the Authority during Fiscal Year 2007.

## **2. FINANCIAL ASSISTANCE PROVIDED DURING FISCAL YEAR 2007**

The Authority did not provide any financial assistance during Fiscal Year 2007.

### **3. VENDORS PAID \$5,000 OR MORE DURING FISCAL YEAR 2007**

A J BELLIVEAU RAILROAD CONSTRUCTION  
AAD ASSOCIATES LLC  
AAF INTERNATIONAL  
AARON ENVIRONMENTAL LLC  
ABM JANITORIAL NE INC  
ACCONTEMPS  
ADP INC  
ALL WASTE, INC  
ALTERNATIVE RESOURCES, INC  
AMANDI SERVICES  
AMERICAN ARBITRATION ASSOC  
AMERICAN EXPRESS TRAVEL RLTED SRVCS  
AMERICAN INDUSTRIES, INC.  
AMERICAN INTERNATIONAL RECOVERY  
AMERICAN ROTOR CO., INC.  
AMERITAS LIFE INSURANCE CORP  
ANCHOR ENGINEERING SERVICES INC  
ANDERSON KILL & OLICK PC  
ANTHEM BCBS  
AON RISK SERVICES OF WASHINGTON DC  
AQUARION WATER CO OF CT  
ASSOCIATED ELECTRO-MECHANICS, INC  
ASW CONSULTING GROUP, LLC  
AT&T  
B G MECHANICAL SERVICE INC  
BALLARD SPAHR ANDREWS & INGERSOLL  
BANK OF AMERICA  
BCI, INC.  
BNA COMPUTING  
BODE EQUIPMENT COMPANY  
BOTTICELLO INC  
BROWN RUDNICK BERLACK ISRAELS LLP  
BUSCH SYSTEMS INTERNATIONAL, INC.  
C K ENVIRONMENTAL INC  
C.N. WOOD OF CT, LLC  
CALVERT SAFE & LOCK LTD  
CAMP DRESSER AND MCKEE INC  
CAPITOL CLEANING CONTRACTORS INC  
CARLIN CHARRON & ROSEN LLP  
CAROUSEL INDUSTRIES OF N. AMERICA  
CDW GOVERNMENT INC  
CERIDIAN BENEFIT SERVICES  
CHASE GLASS COMPANY INC  
CISCO, LLC  
CITY CARTING INC  
CITY OF BRIDGEPORT  
CITY OF HARTFORD - ENV PRGMS DIVSN  
CITY OF HARTFORD TREASURER  
CITY OF NORWALK  
CITY OF SHELTON  
CLEAN HARBORS ENVIRONMENTAL SVCS  
COHN BIRNBAUM & SHEA  
CONN COMMUNITY PROVIDERS ASSOC  
CONN CONSTITUTION ASSOCIATES LLC  
CONN INTERLOCAL RISK MGMT AGCY  
CONN NATURAL GAS CORPORATION  
CONN POST ADV LEGAL NTC  
CONN RIVER ESTUARY REGL PLAN AGENCY  
CONNECTICARE, INC.  
CONSTRUCTION NETWORK SERVICES, INC.  
COPE'S RUBBISH REMOVAL  
COVANTA MID-CONN INC  
COVANTA PROJECTS OF WALLINGFORD LP  
COVANTA SOUTHEASTERN CT  
CPTV  
CRRA BRIDGEPORT PROJECT  
CRRA MID CONNECTICUT PROJECT  
CRRA SOUTHEAST PROJECT  
CRRA WALLINGFORD PROJECT  
CT ST OF COMM REVENUE SERVICES  
CUBITT JACOBS & PROSEK LLC  
CWPM LLC  
D W TRANSPORT AND LEASING INC  
DELL MARKETING LP  
DHL EXPRESS (USA) INC  
DIVERSIFIED ENVIRONMENTAL SERVICES  
DMJM+HARRIS INC  
DVIRKA & BARTILUCCI CONSULT ENGINEERS  
EASTERN EQUIPMENT SALES, INC.  
ECO OPERATIONS INC  
EDWARDS ANGELL PALMER & DODGE LLP  
ENVIRONMENTAL CAPITAL LLC  
EPICOR SOFTWARE CORPORATION  
FCR INC  
FEDERAL EXPRESS CORP  
FIDELITY INVESTMENTS  
FINN DIXON & HERLING LLP  
FRANKSON FENCE COMPANY  
FUSS AND ONEILL INC  
G & L CAPASSO RESTORATION  
GENERAL CONSTRUCTION CRANE SERVICE  
GEORGE E. SANSOUY, PE, LLC  
GERSHMAN BRICKNER BRATTON INC  
GRAINGER  
GRILLO ENGINEERING CO  
GZA GEOENVIRONMENTAL, INC.  
H O PENN MACHINERY CO INC  
HALLORAN AND SAGE LLP  
HARTFORD COURANT ADV LEGAL NTC  
HARTFORD SPRINKLER CO INC  
HAZ-PROS INC.  
HB COMMUNICATIONS, INC  
HDR ENGINEERING INC  
HENEGHAN KENNEDY & DOYLE LLC  
HERB HOLDEN TRUCKING INC  
HERITAGE PRINTERS  
HORTON INTERNATIONAL LLC  
HRP ASSOCIATES INC  
INFINITY CONSTRUCTORS, INC.  
IRON MOUNTAIN INCORPORATED  
ISO NEW ENGLAND INC  
J. H. LYNCH & SONS, INC

JKL TECHNOLOGIES, LLC  
JOHN WATTS ASSOCIATES  
JV III CONSTRUCTION, INC.  
KAINEN ESCALERA & MCHALE PC  
KINNEY/CENTRAL PARKING SYSTEM OF CT  
KLEINSCHMIDT ASSOCIATES  
KNAPP ENGINEERING PC  
LANDSEN CONSTRUCTION CORP  
LAUREN STAFFING SERVICES  
LEGGETTE, BRASHEARS & GRAHAM, INC.  
LINDA FREDRICKSON DESIGN  
M FRANK HIGGINS & CO, INC  
MAINTENANCE TECHNOLOGIES INTNL  
MAJOR MOTION TRANSPORT & LANDSCAPE  
MALCOLM PIRNIE INC  
MATRIX POWER SERVICES INC  
MCCARTER & ENGLISH LLP  
MCGUIREWOODS LLP  
MDC  
MERRITT CONTRACTORS INC  
METTLER TOLEDO INC  
MORANDE FORD  
MURPHY ROAD RECYCLING LLC  
NAVIGANT CONSULTING, INC.  
NEW ENGLAND MASONRY & ROOFING CO.  
NEW HAVEN REGISTER  
NEWINGTON ELECTRIC COMPANY INC  
NEXTEL COMMUNICATIONS INC  
NIRO LANDSCAPE CONTRACTORS INC  
NORTHEAST GENERATION SERVICES CO  
NORTHEAST SCREEN GRAPHICS  
NORTHEAST UTILITIES/CL&P  
NZYMSYS INC  
OFFICEMAX - A BOISE COMPANY  
ONE COMMUNICATIONS COMPANY  
ORANGE FENCE AND SUPPLY COMPANY  
OVERHEAD DOOR COMP. OF HARTFORD  
PAINTING & DECORATING INC  
PARK TRUCKING AND CONTRACTING LLC  
PEPE & HAZARD LLP  
PERAKOS AND ZITSER PC  
PHILIP ANALYTICAL SERVICES  
PITA COMMUNICATIONS LLC  
PITNEY BOWES  
PITNEY BOWES POSTAGE BY MAIL  
PRIMARY LANDSCAPING, LLC  
PROCESS EQUIPMENT PARTS INC  
PULLMAN AND COMLEY LLC  
R L ROGERS AND SONS INC  
R W BECK INC  
REGIONAL REFUSE DISPOSAL DISTRICT ONE  
RYAN BUSINESS SYSTEMS INC  
SANTARO DEVELOPMENT, LLC  
SCHINDLER ELEVATOR CORPORATION  
SCS FIELD SERVICES  
SEBBENS LAWN SERVICE  
SIDLEY AUSTIN LLP  
SIGNATURE MARKETING  
SIMPLEX GRINNELL LP

SONITROL  
SOUTHEASTERN CT REG RES RECOV AUTH  
SOUTHERN CONNECTICUT GAS CO  
SOUTHWEST CONNECTICUT REGIONAL  
SPARKS BELTING COMPANY  
STAFFING NOW, INC.  
STANDARD INSURANCE COMPANY, THE  
STATE OF CONN DEPT OF ENVIRONMENTAL  
STONE RIDGE CONSTRUCTION  
SUMMIT HANDLING SYSTEMS, INC.  
SUPERIOR CONTROLS, INC  
THE STANDARD INSURANCE CO  
TILCON CONNECTICUT INC  
TOWN OF CANTON  
TOWN OF EAST GRANBY  
TOWN OF ELLINGTON  
TOWN OF ESSEX COLLECTOR  
TOWN OF GRANBY  
TOWN OF ORANGE  
TOWN OF PRESTON  
TOWN OF SALISBURY  
TOWN OF SIMSBURY  
TOWN OF SOUTHBRURY  
TOWN OF WALLINGFORD  
TOWN OF WATERTOWN  
TOWN OF WESTON  
TOWN OF WILTON  
TOWN OF WINDSOR  
TRC ENVIRONMENTAL CORP  
UBS FINANCIAL SERVICES, INC  
UNITED ILLUMINATING COMPANY  
UNITED INDUSTRIAL SERVICES  
UNITED PERSONNEL SERVICES  
UNITED RENTALS (NORTH AMERICA), INC.  
URS CORPORATION  
US BANK  
USDA WILDLIFE SERVICES  
VAN HORST GENERAL CONTRACTORS LLC  
VERIZON WIRELESS  
VIDEO MONITORING SERVICES OF AMERICA  
WALKER MAGNETICS NATIONAL LIMITED  
WALKER SYSTEMS SUPPORT  
WARNOCK FLEET  
WASTE MANAGEMENT OF CENTRAL MASS  
WASTE MANAGEMENT OF CONNECTICUT  
WHEELABRATOR BRIDGEPORT LP  
WHEELABRATOR PUTNAM INC  
WTE RECYCLING INC  
XENELIS CONSTRUCTION CO INC

## 4. BALANCE SHEET AS OF JUNE 30, 2007



**Connecticut Resources Recovery Authority**

**BALANCE SHEETS  
AS OF JUNE 30, 2007 AND 2006  
(Dollars in Thousands)**

**EXHIBIT I  
Page 1 of 2**

	<u>2007</u>	<u>2006</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Unrestricted Assets:		
Cash and cash equivalents	\$ 89,116	\$ 98,644
Accounts receivable, net of allowances	28,450	22,148
Inventory	3,349	3,419
Prepaid expenses and other current assets	<u>3,873</u>	<u>1,361</u>
Total Unrestricted Assets	<u>124,788</u>	<u>125,572</u>
Restricted Assets:		
Cash and cash equivalents	59,657	20,204
Accrued interest receivable	<u>633</u>	<u>615</u>
Total Restricted Assets	<u>60,290</u>	<u>20,819</u>
Total Current Assets	<u>185,078</u>	<u>146,391</u>
<b>NON-CURRENT ASSETS</b>		
Restricted cash and cash equivalents	49,642	80,130
Investments	779	-
Capital Assets:		
Depreciable, net	128,203	143,826
Nondepreciable	28,131	27,895
Development and bond issuance costs, net	<u>4,921</u>	<u>6,218</u>
Total Non-Current Assets	<u>211,676</u>	<u>258,069</u>
<b>TOTAL ASSETS</b>	<u>\$ 396,754</u>	<u>\$ 404,460</u>

The accompanying notes are an integral part of these financial statements

Connecticut Resources Recovery Authority



**BALANCE SHEETS**  
**AS OF JUNE 30, 2007 AND 2006**  
(Dollars in Thousands)

**EXHIBIT I**  
Page 2 of 2

	<u>2007</u>	<u>2006</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Current portion of:		
Bonds payable, net	\$ 3,097	\$ 2,929
State loans payable	2,619	2,619
Closure and postclosure care of landfills	10,588	1,420
Accounts payable, accrued expenses and other liabilities	<u>55,966</u>	<u>24,737</u>
Total Current Liabilities	<u>72,270</u>	<u>31,705</u>
<b>LONG-TERM LIABILITIES</b>		
Bonds payable, net	22,835	79,499
State loans payable	10,701	13,320
Closure and postclosure care of landfills	50,777	26,019
Other liabilities	<u>1,400</u>	<u>1,483</u>
Total Long-Term Liabilities	<u>85,713</u>	<u>120,321</u>
<b>TOTAL LIABILITIES</b>	<u>157,983</u>	<u>152,026</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	<u>117,855</u>	<u>89,888</u>
Restricted for:		
Tip fee stabilization	15,290	14,481
Energy generating facility	12,012	20,962
Debt service reserve funds	5,228	19,565
Cash escrow - litigation-related settlements	2,126	-
Operating and maintenance	1,662	1,575
Equipment replacement	1,662	1,575
Select Energy escrow	1,000	1,000
Debt service funds	968	1,096
Shelton landfill future use	824	792
DEP trust - landfills	781	742
Recycling education fund	542	417
Regional recycling center equipment	452	429
Montville landfill postclosure	402	205
Rebate fund	292	277
Other restricted net assets	83	791
Total Restricted	<u>43,324</u>	<u>63,907</u>
Unrestricted:		
Designated	68,700	62,871
Undesignated	<u>8,892</u>	<u>35,768</u>
Total Unrestricted	<u>77,592</u>	<u>98,639</u>
Total Net Assets	<u>238,771</u>	<u>252,434</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 396,754</u>	<u>\$ 404,460</u>

The accompanying notes are an integral part of these financial statements





Connecticut Resources Recovery Authority

STATEMENTS OF REVENUES, EXPENSES AND  
CHANGE IN NET ASSETS  
FOR THE YEARS ENDED JUNE 30, 2007 AND 2006  
(Dollars in Thousands)

EXHIBIT II

	<u>2007</u>	<u>2006</u>
<b>Operating Revenues</b>		
Service charges:		
Members	\$ 91,848	\$ 93,513
Others	33,917	33,186
Energy sales	37,857	37,945
Ash disposal reimbursement	4,485	4,229
Other operating revenues	12,407	11,220
Total operating revenues	<u>180,514</u>	<u>180,093</u>
<b>Operating Expenses</b>		
Solid waste operations	137,767	133,026
Depreciation and amortization	18,189	17,850
Maintenance and utilities	2,401	2,313
Closure and postclosure care of landfills	34,639	1,629
Project administration	13,342	11,481
Total operating expenses	<u>206,338</u>	<u>166,299</u>
Operating (Loss) Income	(25,824)	13,794
<b>Non-Operating Revenues and (Expenses)</b>		
Litigation-related settlements, net	39,075	-
Investment income	8,888	7,664
Other income, net	3,839	5,885
Litigation-related judgment	(35,800)	-
Interest expense	(2,693)	(5,677)
Net Non-Operating Revenues	<u>13,309</u>	<u>7,872</u>
(Loss) Income before Special Item	(12,515)	21,666
<b>Special item:</b>		
Defeasance of debt	(1,148)	-
Total special item	<u>(1,148)</u>	<u>-</u>
(Decrease) Increase in Net Assets	(13,663)	21,666
<b>Total Net Assets, beginning of year</b>	<u>252,434</u>	<u>230,768</u>
<b>Total Net Assets, end of year</b>	<u>\$ 238,771</u>	<u>\$ 252,434</u>

The accompanying notes are an integral part of these financial statements



**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2007 AND 2006**  
(Dollars in Thousands)

**EXHIBIT III**

	<u>2007</u>	<u>2006</u>
<b>Cash Flows From Operating Activities</b>		
Payments received from providing services	\$ 175,858	\$ 186,942
Proceeds from settlements	40,225	-
Payments to suppliers for goods and services	(154,697)	(144,661)
Payments to employees for services	(4,484)	(4,226)
<b>Net Cash Provided by Operating Activities</b>	<u>56,902</u>	<u>38,055</u>
<b>Cash Flows From Investing Activities</b>		
Interest on investments	8,879	7,375
Purchases of investments	(770)	-
<b>Net Cash Provided by Investing Activities</b>	<u>8,109</u>	<u>7,375</u>
<b>Cash Flows From Capital and Related Financing Activities</b>		
Proceeds from sales of equipment	192	312
Payments for landfill closure and postclosure care liabilities	(713)	(667)
Acquisition and construction of capital assets	(1,942)	(4,188)
Defeasance of debt	(275)	-
Interest paid on long-term debt	(2,981)	(5,399)
Principal paid on long-term debt	(59,778)	(5,494)
<b>Net Cash Used in Capital and Related Financing Activities</b>	<u>(65,497)</u>	<u>(15,436)</u>
<b>Cash Flows From Non-Capital Financing Activities</b>		
Other interest and fees	(77)	(41)
<b>Net Cash Used in Non-Capital Financing Activities</b>	<u>(77)</u>	<u>(41)</u>
<b>Net (decrease) increase in cash and cash equivalents</b>	<u>(563)</u>	<u>29,953</u>
Cash and cash equivalents, beginning of year	<u>198,978</u>	<u>169,025</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 198,415</u>	<u>\$ 198,978</u>
<b>Reconciliation of Operating (Loss) Income to Net Cash (Used In) Provided By Operating Activities:</b>		
Operating (loss) income	\$ (25,824)	\$ 13,794
Adjustments to reconcile operating (loss) income to net cash (used in) provided by operating activities:		
Depreciation of capital assets	17,246	16,845
Amortization of development and bond issuance costs	943	1,005
Provision for closure and postclosure care of landfills	34,639	1,629
Other income	3,791	5,647
Litigation-related settlements, net	39,075	-
Litigation-related judgment	(35,800)	-
(Increase) decrease in:		
Accounts receivable, net	(6,382)	987
Inventory	70	377
Prepaid expenses	(2,512)	(119)
Increase (decrease) in:		
Accounts payable, accrued expenses and other liabilities	31,576	(2,110)
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 56,902</u>	<u>\$ 38,055</u>

The accompanying notes are an integral part of these financial statements

## 5. BOND STATUS AS OF JUNE 30, 2007

As of June 30, 2007, the Authority's outstanding bonds were as follows. The State's contingent liability is related only to the SCRF-backed bonds, of which the principal amount of \$70,965,000 was outstanding at the end of fiscal year 2007.

### STATUS OF OUTSTANDING BONDS ISSUED AS OF JUNE 30, 2007

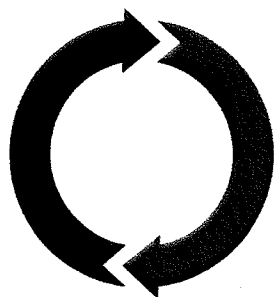
PROJECT / Series	Moody's Rating	Standard & Poor's Rating	Credit Enhancement	X= SCRF-Backed <sup>1</sup>	Dated	Maturity Date	Original Principal (\$000)	Principal Outstanding (\$000)	On Authority's Books (\$000)	
<b>MID-CONNECTICUT PROJECT</b>										
1996 Series A - Project Refinancing	Aaa	AAA	MBIA	X	08/20/96	11/15/12	\$209,675	\$15,290	\$15,290	
2004 State Loan Borrowings (cumulative) <sup>2</sup>	NR	NR	--	--	various	12/01/12	12,842	7,639	7,639	
2005 State Loan Borrowings (cumulative) <sup>2</sup>	NR	NR	--	--	various	06/01/12	8,659	5,681	5,681	
								28,610	28,610	
<b>BRIDGEPORT PROJECT</b>										
1999 Series A - Project Refinancing	Aaa	AAA	MBIA	--	08/31/99	01/01/09	141,695	32,725	1,280	
2000 Series A - Refinancing (partial insurance)	A3/Aaa	A+/AAA	MBIA	--	08/01/00	01/01/09	9,200	2,380	2,380	
								35,105	3,660	
<b>WALLINGFORD PROJECT</b>										
1998 Series A - Project Refinancing	Aaa	AAA	Ambac	--	10/23/98	11/15/08	39,475	9,120	1,397	
								9,120	1,397	
<b>SOUTHEAST PROJECT</b>										
1998 Series A - Project Refinancing	Aaa	AAA	MBIA	X	08/18/98	11/15/15	87,650	55,675	6,196	
<b>CORPORATE CREDIT REVENUE BONDS</b>										
1992 Series A - Corporate Credit	Ba1	BB+	--	--	09/01/92	11/15/22	30,000	30,000	0	
2001 Series A - Covanta Southeastern Connecticut Company-I	Ba1	NR	--	--	11/15/01	11/15/15	6,750	6,750	0	
2001 Series A - Covanta Southeastern Connecticut Company-II	Ba1	NR	--	--	11/15/01	11/15/15	6,750	6,750	0	
								99,175	6,196	
<b>TOTAL PRINCIPAL BONDS OUTSTANDING</b>								<u>\$172,010</u>	<u>\$39,863</u>	

<sup>1</sup> SCRF = Special Capital Reserve Fund of the State of Connecticut.

<sup>2</sup> On 3/24/05, an Irrevocable Escrow Fund was established to pay all future State Loan repayments.

NR = Not Rated

**6. AFFIRMATIVE ACTION POLICY STATEMENT**



**CONNECTICUT  
RESOURCES  
RECOVERY  
AUTHORITY**

**EQUAL EMPLOYMENT OPPORTUNITY  
AND  
AFFIRMATIVE ACTION  
STATEMENT AND PLAN**

**ADOPTED – NOVEMBER 14, 2003**

## **EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION STATEMENT AND PLAN**

The Connecticut Resources Recovery Authority (CRRA) is an equal opportunity and affirmative action employer, dedicated to a policy of nondiscrimination in employment on any basis prohibited by law. It is the CRRA's policy to provide equal employment and advancement opportunities to all individuals without regard to age, sex, race, color, religion, national origin, marital status, veteran status, disability, sexual orientation or any other legally protected status, and to maintain an environment free from discrimination or harassment based upon these grounds.

The CRRA is committed to providing equal opportunities in terms of its recruiting and hiring practices, including without limitation, by notifying its recruitment sources of the CRRA's nondiscrimination policies and by placing "help-wanted" advertisements containing the phrase "An Equal Opportunity Employer." The CRRA is also committed to providing equal opportunities to its employees in all of its employment practices, including but not limited to compensation, training, transfers, promotions and disciplinary procedures, and in the provision of all of its employee benefit programs. Personnel decisions will be made on the basis of the needs of the CRRA and an individual's job-related skills, ability and merit.

The CRRA further pledges its strong commitment to ensure that all contractors and subcontractors who do business with the CRRA provide equal opportunities in employment to all qualified persons solely on the basis of job-related skills, ability and merit. The participation of minority business enterprises meeting qualifications established by applicable regulations shall further be solicited and encouraged.

The CRRA shall include an equal opportunity clause in all of its contracts and shall not enter into any contract with any person, agency or organization if it has knowledge that such person, agency or organization engages in unlawful discriminatory practices.

The CRRA further pledges that all CRRA-sponsored training and social and recreational programs will be administered without regard to any legally protected status.

As part of its commitment to equal opportunities, the CRRA expects all of its employees to adhere to this policy of nondiscrimination. The CRRA will take prompt action upon the receipt of a complaint of unlawful discrimination and will take appropriate corrective action, including disciplinary measures if necessary, to remedy any discriminatory conduct. Complaints should be referred to the Human Resources Manager, who is the CRRA's designated Equal Employment Opportunity (EEO) Officer. Alternatively, employees may submit complaints to the President of the CRRA or to any manager or supervisor.

The day-to-day responsibility for administering and complying with this policy is delegated to the various department heads with respect to the employees within their respective departments. The President and the Board of Directors will provide necessary procedural guidance in the coordination and application of the policy and any changes or modifications to the policy as may be required.

The CRRA's plan for implementing its equal employment and affirmative action policy could include any or all of the following actions:

1. Attempt to hire and promote qualified female and minority candidates through efforts to increase the number of highly qualified female and minority applicants for each vacancy, with the ultimate goal that CRRA's workforce will mirror the diversity of the labor pool.
2. Attempt to reach a greater number and diversity of representative groups to notify them of employment opportunities with CRRA. Wherever possible, target the Hispanic, African-American, Asian Pacific/Islander and Native American communities by contacting organizations and educational institutions that promote the interests of such individuals.
3. Explore the creation of an internship program to create interest among minority students in career opportunities at CRRA.
4. Take the following steps to ensure that all applicants and employees are aware that CRRA is an equal opportunity employer and of CRRA's affirmative action recruitment efforts:
  - a. Publicize the Equal Employment Opportunity Statement and Affirmative Action policy in CRRA's Personnel Policy Manual and post the same on CRRA bulletin boards.
  - b. Publicize the accomplishments and/or promotions of minorities and females internally.
  - c. Assess the equal opportunity and affirmative action efforts and achievements prior to the promotion of employees or the execution of discretionary salary increases.
  - d. Conduct meetings to discuss equal employment opportunity policies and responsibilities with CRRA employees, including during employee orientation and training sessions.
  - e. Advise all recruiting sources of CRRA's Equal Employment Opportunity Statement and Affirmative Action policy.
  - f. Notify all bidders, contractors, and suppliers of CRRA's Equal Employment Opportunity Statement and Affirmative Action policy and ensure that all contracts for services and materials include a statement in which the

contractor agrees to abide by affirmative action and fair employment principles.

- g. Attend job fairs where the potential for exposure to potential female and minority applicants is high.
- h. Continue to encourage participation of minority business enterprises and not to contract with any entity debarred from participation in state or federal contract programs.
- i. Notify minority and women's organizations, community organizations, state and local employment security and vocational rehabilitation agencies, schools and colleges of CRRA's Equal Employment Opportunity Statement and Affirmative Action policy.
- j. Place advertisements for employees containing the phrase "CRRA is an Affirmative Action/Equal Opportunity Employer" within the appropriate classified section of newspapers and/or job posting websites.
- k. Send outreach letters, job postings and job descriptions to various minority organizations throughout the state to increase awareness of employment opportunities at CRRA in the region's minority communities.
- l. Conduct outreach meetings via telephone with minority organizations during the year to maintain and improve the lines of communication between CRRA and these organizations as well as increase the awareness of CRRA's affirmative action efforts throughout the state's minority communities.

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Approved By: Board of Directors

P&P No.: BOD 013  
Effective Date: November 11, 2003

**Connecticut Resources Recovery Authority  
Ethnic Composition of Total Work Force  
Summary of EEOC Report  
Updated June 30, 2007**

	Males										Females					
	TOTAL	Total Males	White	Black or African American	Hispanic or Latino	Asian	Native Hawaiian or Other Pacific Islander	Two or More Races	Total Females	White	Black or African American	Hispanic or Latino	Asian	Native Hawaiian or Other Pacific Islander	Two or More Races	
Executive Managerial	14 22.6%	9 14.5%	9 14.5%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	5 8.1%	4 6.5%	0 0.0%	0 0.0%	1 1.6%	0 0.0%	0 0.0%	
Technicians	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	
Sales Workers	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	
Professionals	14 22.6%	10 16.1%	8 12.9%	0 0.0%	0 0.0%	0 0.0%	1 1.6%	0 0.0%	4 6.5%	2 3.2%	0 0.0%	0 0.0%	2 3.2%	0 0.0%	0 0.0%	
Office and Clerical	34 54.8%	18 29.0%	12 19.4%	2 3.2%	2 3.2%	1 1.6%	0 0.0%	0 0.0%	16 25.8%	13 21.0%	4 6.5%	0 0.0%	1 1.6%	0 0.0%	0 0.0%	
TOTALS	62 100.0%	35 56.5%	29 46.8%	2 3.2%	2 3.2%	2 3.2%	2 3.2%	0 0.0%	27 43.5%	19 30.6%	4 6.5%	0 0.0%	4 6.5%	0 0.0%	0 0.0%	



## AFFIRMATIVE ACTION EFFORTS TO DATE

The Authority's efforts to increase diversity in its workforce for 2007 included the following measures for CRRA job openings:

- Print advertising with *Northeast Minority News*, *La Voz Hispaña*, and *The Hartford Courant*.
- Affirmative Action Outreach Letters with job postings to the following agencies:
  1. Latino and Puerto Rican Affairs Commission, Hartford
  2. Urban League of Greater Hartford
  3. Vietnamese Mutual Assistance Association, Hartford
  4. YWCA of the Hartford Region
  5. Urban League of Southwestern Connecticut, Stamford
  6. Connecticut Commission on Human Rights & Opportunities
  7. Connecticut Puerto Rican Forum, Hartford
  8. Institute for Hispanic Families, Hartford
  9. H.A.R.T Job Center, Hartford
- Web postings of CRRA jobs appeared on the following sites:
  1. CRRA Internet Employment Opportunities Page
  2. Connecticut's Job Bank
  3. America's Job Bank
  4. Career Builder.com

## **7. PLANNED MEETINGS FOR CALENDAR YEAR 2008**

### **Board of Directors**

#### **2008 Schedule of Meetings**

<b>DATE</b>	<b>TIME</b>	<b>PLACE</b>
<b>January 24, 2008</b>	<b>9:30 a.m.</b>	<b>100 Constitution Plaza, Hartford, CT</b>
<b>February 21, 2008</b>	<b>9:30 a.m.</b>	<b>100 Constitution Plaza, Hartford, CT</b>
<b>March 27, 2008</b>	<b>9:30 a.m.</b>	<b>100 Constitution Plaza, Hartford, CT</b>
<b>April 24, 2008</b>	<b>9:30 a.m.</b>	<b>100 Constitution Plaza, Hartford, CT</b>
<b>May 29, 2008</b>	<b>9:30 a.m.</b>	<b>100 Constitution Plaza, Hartford, CT</b>
<b>June 26, 2008</b>	<b>9:30 a.m.</b>	<b>100 Constitution Plaza, Hartford, CT</b>
<b>July 24, 2008</b>	<b>9:30 a.m.</b>	<b>100 Constitution Plaza, Hartford, CT</b>
	<b>NO MEETING</b>	
<b>September 25, 2008</b>	<b>9:30 a.m.</b>	<b>100 Constitution Plaza, Hartford, CT</b>
<b>October 23, 2008</b>	<b>9:30 a.m.</b>	<b>100 Constitution Plaza, Hartford, CT</b>
<b>November 20, 2008</b>	<b>9:30 a.m.</b>	<b>100 Constitution Plaza, Hartford, CT</b>
<b>December 18, 2008</b>	<b>9:30 a.m.</b>	<b>100 Constitution Plaza, Hartford, CT</b>

## **Finance Committee of the Board of Directors**

### **2008 Schedule of Meetings**

<b>DATE</b>	<b>TIME</b>	<b>PLACE</b>
<b>January 17, 2008</b>	<b>9:30 a.m.</b>	<b>211 Murphy Road, Hartford, CT</b>
<b>February 14, 2008</b>	<b>9:30 a.m.</b>	<b>211 Murphy Road, Hartford, CT</b>
<b>March 20, 2008</b>	<b>9:30 a.m.</b>	<b>211 Murphy Road, Hartford, CT</b>
<b>April 17, 2008</b>	<b>9:30 a.m.</b>	<b>211 Murphy Road, Hartford, CT</b>
<b>May 22, 2008</b>	<b>9:30 a.m.</b>	<b>211 Murphy Road, Hartford, CT</b>
<b>June 19, 2008</b>	<b>9:30 a.m.</b>	<b>211 Murphy Road, Hartford, CT</b>
<b>July 17, 2008</b>	<b>9:30 a.m.</b>	<b>211 Murphy Road, Hartford, CT</b>
	<b>NO MEETING</b>	
<b>September 18, 2008</b>	<b>9:30 a.m.</b>	<b>211 Murphy Road, Hartford, CT</b>
<b>October 16, 2008</b>	<b>9:30 a.m.</b>	<b>211 Murphy Road, Hartford, CT</b>
<b>November 13, 2008</b>	<b>9:30 a.m.</b>	<b>211 Murphy Road, Hartford, CT</b>
<b>December 11, 2008</b>	<b>9:30 a.m.</b>	<b>211 Murphy Road, Hartford, CT</b>

**Policies & Procurement Committee of the Board of Directors**

**2008 Schedule of Meetings**

DATE	TIME	PLACE
January 10, 2008	9:30 a.m.	Waterbury City Hall
February 7, 2008	9:30 a.m.	Waterbury City Hall
March 13, 2008	9:30 a.m.	Waterbury City Hall
April 10, 2008	9:30 a.m.	Waterbury City Hall
May 15, 2008	9:30 a.m.	Waterbury City Hall
June 12, 2008	9:30 a.m.	Waterbury City Hall
July 10, 2008	9:30 a.m.	Waterbury City Hall
	NO MEETING	
September 11, 2008	9:30 a.m.	Waterbury City Hall
October 10, 2008	9:30 a.m.	Waterbury City Hall
November 6, 2008	9:30 a.m.	Waterbury City Hall
December 4, 2008	9:30 a.m.	Waterbury City Hall

**Organizational Synergy & Human Resources Committee of the Board of Directors**

**2008 Schedule of Meetings**

DATE	TIME	PLACE
<b>January 24, 2008</b>	<b>8:30 a.m.</b>	<b>100 Constitution Plaza, Hartford, CT</b>
<b>March 27, 2008</b>	<b>8:30 a.m.</b>	<b>100 Constitution Plaza, Hartford, CT</b>
<b>May 29, 2008</b>	<b>8:30 a.m.</b>	<b>100 Constitution Plaza, Hartford, CT</b>
<b>July 24, 2008</b>	<b>8:30 a.m.</b>	<b>100 Constitution Plaza, Hartford, CT</b>
<b>September 25, 2008</b>	<b>8:30 a.m.</b>	<b>100 Constitution Plaza, Hartford, CT</b>
<b>November 20, 2008</b>	<b>8:30 a.m.</b>	<b>100 Constitution Plaza, Hartford, CT</b>

**Executive Committee**

**2008 Schedule of Meetings**

To be called as needed

## **8. EFFORTS TO MITIGATE THE EFFECTS OF AUTHORITY-ENRON-CL&P TRANSACTION DURING FISCAL YEAR 2007**

During the fiscal year ending June 30, 2007, the Authority realized significant successes to mitigate the effects of the 2001 Authority-Enron-Connecticut Light & Power Company transaction in connection with the Mid-Connecticut project. The following are highlights of our efforts:

### **Efforts to increase energy revenues:**

The Authority successfully concluded a six months long competitive procurement process for the sale of the first 250,000 MWh of electricity generated by the Mid-Connecticut Project. The Authority received four bids from qualified bidders and on June 20, 2007 executed an agreement with Constellation Energy Commodities Group, Inc. for a term of July 1, 2007 through June 30, 2012. The Authority received very favorable pricing that significantly increases electric sales revenues to the Mid-Conn Project. During the five year term of this new agreement, the Mid-Conn Project will receive (on a levelized/blended rate basis) approximately \$93.7 million in revenue which represents a net increase in revenue over the five year term of the agreement of \$51 million over the old Enron contract rate.

### **Efforts to reduce administrative costs:**

The Authority marketed its all risk property insurance program during fiscal year 2007 and was successful in lowering the overall premium by 11% even though the reported value of assets increased since last year.

The Authority is required by the Connecticut General Statutes (Section 1-125) to protect and indemnify all of its directors, officers and employees from liability for the work they do for the Authority. To assist in meeting this obligation, the Authority purchases Public Officials and Employers Liability insurance. During this same time period, the Authority was able to secure the insurance with the same limit of coverage as last year but with lower premium.

The Authority experienced a difficult renewal of its casualty insurance program (Commercial General Liability, Umbrella/Excess Liability, Pollution Legal Liability, Commercial Automobile Liability and Workers Compensation insurances policies). The insurance program has a term from October 1, 2006 through October 1, 2007. The renewal was difficult due to a very limited marketplace writing policies for accounts involved in ownership and/or operation of landfills, waste facilities, electric and power operations and treatment facilities, and an even smaller market for entities such as the Authority that have sustained significant losses. The Authority was successful in renewing these policies, albeit with higher deductibles and, in some cases, lower limits.

### **Efforts to minimize tipping fees for Mid-Connecticut municipalities:**

On May 25, 2006, the Authority's Board approved a resolution authorizing the application of available Authority funds to defease certain outstanding Mid-Connecticut Project Bonds. This resolution represents the continuation of bond defeasance of Mid-Connecticut Project

debt initiated by the Board in March 2005 with the Enron claim sale settlement funds. On July 27, 2006, the Authority partially defeased \$54,125,000 of the remaining \$69,415,000 par balance of the Mid-Connecticut Project 1996 Series A Bonds. The current par balance on the Mid-Connecticut Project 1996 Series A Bonds is now \$15,290,000. The July 2006 bond defeasance results in an additional gross debt service savings of \$70,230,610 over the life of the bonds. The contingent liability for the State on the Mid-Connecticut Project bonds that are secured by the Special Capital Reserve Fund ("SCRF") has dropped from \$23,678,018 to \$4,362,425.

On October 26, 2006, the Authority's Board of Directors authorized a resolution to apply available funds of the Authority to the final defeasance of the outstanding Mid-Connecticut Project's Mid-Connecticut Project 1996 Series A Bonds, which are additionally secured by the State of Connecticut's Special Capital Reserve Fund ("SCRF") and apply the funds currently escrowed for monthly State Loan payments to be applied toward the full repayment of the State Loan.

On December 20, 2006, the Connecticut Department of Environmental Protection ("DEP") adopted amendments to the state Solid Waste Management Plan ("SWMP"). The plan proposes to address the need for solid-waste disposal by nearly doubling the state's recycling rate. While the Authority believes recycling is good public policy and a worthy environmental practice, it also believes that until that goal is met, the state should encourage the availability of publicly-owned solid waste disposal and recycling infrastructure to provide cities and towns with affordable options for managing their trash.

#### **Efforts to extend solid waste contracts with Mid-Connecticut municipalities:**

The Authority continues its ongoing program of outreach to member cities and towns and its initiative to increase communications with its host communities. In particular:

- Authority officials met individually with officials from Hartford, Watertown and Harwinton, and also spoke to meetings of the Northwest Connecticut Council of Governments (including the Mid-Connecticut Project municipalities of Salisbury, North Canaan, Canaan, Cornwall, Sharon, Washington and Roxbury); the Litchfield Hills Council of Elected Officials (including the Mid-Connecticut Project municipalities of Norfolk, Colebrook, Hartland, Goshen, Winchester, Barkhamsted, New Hartford, Torrington, Harwinton, Litchfield and Morris); the Council of Governments of the Central Naugatuck Valley (including the Mid-Connecticut Project municipalities of Beacon Falls, Bethlehem, Middlebury, Naugatuck, Southbury, Thomaston, Waterbury, Watertown and Woodbury); the Lower Connecticut Valley Selectmen's Association (including Mid-Connecticut Project towns of Killingworth, Chester, Lyme, Old Lyme, Old Saybrook, Essex, Deep River, Westbrook and Clinton); the Southeastern Connecticut Council of Governments; participated in meetings of the South Meadows Problem Solving Committee (a Hartford business organization); the Hartford Neighborhood Environmental Partnership (a Hartford environmental group); the Connecticut Conference of Municipalities Legislative Committee; and the Connecticut Recyclers Coalition.



- On October 21, 2006 Authority personnel spoke to the Connecticut Environmental Justice Conference, organized by the Connecticut Coalition for Environmental Justice.
- On October 28, 2006, the Authority hosted an “open house” at its Hartford landfill, at which residents were given guided bus tours of the landfill and were able to ask questions of Authority management.
- Authority personnel also provided personal tours of the landfill on November 7, 14, 21 and 28, 2006.
- The Authority hosted the Annual Meeting of the Connecticut Recyclers Coalition on November 8, 2006.
- The Authority also launched a junk-mail recycling campaign, featuring a character it created called “Phillup D. Bag” in radio and television spots and newspaper advertisements.
- On January 2, 2007 Authority officials met with the Torrington Solid Waste Commission to discuss recycling.
- On January 3, 2007 the Authority staffed an exhibit in the concourse of the Legislative Office Building on the first day of the General Assembly session.
- On January 17, 2007 the Authority staffed an exhibit at the Connecticut Council of Small Towns Annual Town Meeting.
- On February 28, 2007 the Authority held its fourth Annual Meeting for member cities and towns.
- On March 6, 2007 the Authority met with Hartford officials to discuss ways to help that city improve its recycling rate.
- On May 17, 2007, the Authority held a grand-opening event at its new recycling processing center with Governor M. Jodi Rell participating in the ribbon-cutting ceremony that attracted statewide press coverage.