

CONNECTICUT RESOURCES RECOVERY AUTHORITY

THREE HUNDRED SEVENTY-EIGHTH MEETING

OCTOBER 15, 2004

A Special telephonic meeting of the Connecticut Resources Recovery Authority Board of Directors was held on Friday, October 15, 2004 at 100 Constitution Plaza, Hartford, Connecticut. Those present were:

Chairman Michael Pace

Directors: James Francis
Edna Karanian
Mark Lauretti
Theodore Martland
Raymond O'Brien
Andrew Sullivan
Timothy Griswold (Ad-Hoc for Mid-CT Project)

Present from the CRRA staff:

Thomas Kirk, President
Jim Bolduc, Chief Financial Officer
Laurie Hunt, Managing Director of Legal Affairs
Kristen Greig, Secretary to the Board/Paralegal

Also in attendance were: Peter Boucher, Esq. of Halloran & Sage, LLP, Alan Curto, Esq. of Halloran & Sage, LLP, Paul Rachmuth, Esq. of Anderson, Kill & Olick, P.C.

Chairman Pace called the meeting to order at 10:10 a.m. and noted that a quorum was present.

EXECUTIVE SESSION

Chairman Pace requested a motion to go into Executive Session. The motion made by Director Martland and seconded by Director O'Brien was approved unanimously. Chairman Pace requested that the following people remain for the Executive Session:

Michael Pace	Tom Kirk
James Francis	Jim Bolduc
Edna Karanian	Laurie Hunt, Esq.
Mark Lauretti	
Theodore Martland	Peter Boucher, Esq.
Raymond O'Brien	Alan Curto, Esq.
Andrew Sullivan	Paul Rachmuth, Esq.
Timothy Griswold	

The Executive Session began at 10:11 a.m. and concluded at 10:22 a.m. Chairman Pace noted that no votes were taken in Executive Session.

Chairman Pace reconvened the Board meeting at 10:22 a.m.

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CONNECTICUT RESOURCES RECOVERY AUTHORITY TO AUTHORIZE A SETTLEMENT WITH THE CONNECTICUT LIGHT & POWER COMPANY

Chairman Pace requested a motion regarding the above captioned matter. Director O'Brien made the following motion:

WHEREAS, the Connecticut Resources Recovery Authority (the "Authority") has been duly established and constituted as a body politic and corporate, constituting a public instrumentality and a political subdivision of the State of Connecticut, to carry out the purposes of Chapter 446e of the Connecticut General Statutes, Sections 22a-260 et seq., as amended; and

WHEREAS, on July 22, 2004 the Board of Director of the Authority approved a settlement (the "Enron Settlement") with Enron Corporation ("Enron") concerning the Authority's proofs of claim in the bankruptcy cases (the "Enron Litigation") filed by Enron and certain Enron affiliates in the United States Bankruptcy Court, Southern District of New York (the "Bankruptcy Court"), on or about December 2, 2001; and

WHEREAS, in order that the Enron Settlement may be submitted to the Bankruptcy Court for its approval; it is necessary that the Authority and the Connecticut Light and Power Company ("CL&P") reach agreement on certain issues (the "CRRA-CL&P Issues"); more particularly: (1) the withdrawal and amendment by CL&P of certain claims submitted by it in the Enron litigation; (2) the withdrawal with prejudice of certain litigation commenced by CRRA against CL&P; (3) the reimbursement by CRRA to CL&P for certain judgments (if any) against CL&P resulting from the CRRA/CL&P/Enron transactions dated on or about December 22, 2000 (collectively, the "Enron Transaction"); and (4) mutual releases by CRRA, CL&P and the Attorney General of the State of Connecticut (the "AG") concerning the Enron Transaction; and

WHEREAS, the Authority, CL&P and the AG have negotiated a settlement agreement resolving the CRRA-CL&P Issues (the CL&P Settlement Agreement"); and

WHEREAS, the Board of Directors of the Authority have reviewed the CL&P Settlement Agreement and determined that it is in the best interests of the Authority to enter into the CL&P Settlement Agreement, so as to permit the submittal of the Enron Settlement to the Bankruptcy Court;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority:

Section 1. That the Board of Directors of the Authority hereby approves the CL&P Settlement Agreement substantially in accordance with the terms of such CL&P Settlement Agreement as presented to the Board of Directors of the Authority.

Section 2. That the President and the Chief Financial Officer of the Authority are hereby authorized to take all actions and to execute any and all agreements in connection with the CL&P Settlement Agreement.

Section 3. This resolution shall take effect immediately.

Director Martland seconded the motion.

Director O'Brien noted that the above-referenced matter was thoroughly discussed in Executive Session. Director O'Brien expressed appreciation for the work done by Attorney Boucher and his staff, Mr. Kirk and his staff, Attorney Rachmuth and the Attorney General.

Director Sullivan pointed out that all parties involved in the settlement agreement, including the DPUC, had been brought on board and CRRA believed this resolution would bring an end to this matter. Attorney Boucher confirmed that outreach was done to the DPUC, but noted that CRRA could not be assured that the DPUC would find the settlement satisfactory to its issues until after it was reviewed and acted upon.

Chairman Pace stated that the CRRA Board of Directors, management and their attorneys were working through CRRA's obligation to recover the funds and saw this settlement as an opportunity for other state agencies to assist in the recovery.

Chairman Pace noted that the resolution incorporated the language in the settlement agreement.

The motion previously made and seconded was approved unanimously.

ADJOURNMENT

Chairman Pace requested a motion to adjourn the meeting. The motion to adjourn made by Director Martland and seconded by Director Sullivan was approved unanimously.

There being no other business to discuss, the meeting was adjourned at 10:25 a.m.

Respectfully submitted,

Kristen B. Greig
Secretary to the Board/Paralegal