



**FOR IMMEDIATE RELEASE**

**March 22, 2004**

**Further Information:**

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**TEXT OF LETTER FROM CRRA TO MID-CONNECTICUT PROJECT TOWNS**

**Editors and news directors: The following letter was sent to all Mid-Connecticut Project towns to communicate the potential financial impact of lawsuits filed against CRRA.**

March 18, 2004

Re: Enron-related litigation

As you may be aware, the Town of New Hartford, one of the 70 towns that comprise the Connecticut Resources Recovery Authority Mid-Connecticut Project, is suing CRRA, its former president and directors and others over the Enron debacle. While we may not discuss the merits of this case, or any similar suits that have been filed, we do believe it is incumbent upon us to point out some relevant facts.

Following the Enron bankruptcy, the state put into place a completely new board and senior management team charged with cleaning up the mess. We believe that our fiduciary responsibility to the cities and towns that comprise the Mid-Connecticut Project requires us to point out the potential ramifications of such lawsuits.

CRRA is required by statute and by separation agreements to defend and indemnify former board members and officers against suits such as the New Hartford suit. Further, because CRRA's insurance policy has an Absolute Enron Exclusion, if the insurer denies a claim any legal fees, penalties or damages incurred because of this action would be paid out of Mid-Connecticut Project revenues, namely the tip fees paid to CRRA by those same cities and towns. In other words, New Hartford is in effect suing itself and the other Mid-Connecticut Project municipalities.

The new CRRA is accountable and responsive to its customers, namely the cities and towns who depend on it for refuse and recycling services. The new CRRA is open, transparent and professional, and it values its relationship with its customer/shareholders, the member cities and towns. For these reasons, we feel obligated to advise you to think carefully before pursuing this litigation.

As always, don't hesitate to call me at (860) 757-7777 if you have any questions.

Sincerely,

Thomas D. Kirk  
President