

UIL Holdings' Stock

On July 5, 2006 UIL Holdings' stock split 5 shares for every 3 shares for shareowners of record as of June 6, 2006. The opening price on July 6, 2006 was \$34.59 per share. The closing stock price on November 15, 2006 was \$43.00 per share an increase of \$8.41 per share since the stock split. In other news, on October 24, UIL Holdings Corporation announced its quarterly dividend of \$0.432 per share on its Common Stock. The dividend will be payable on January 1, 2007 to shareowners of record at the close of business on December 6, 2006.

UI Announces Agreement on Steel Point

In a hearing on Friday, June 16, 2006, at the Department of Public Utility Control (DPUC), UI and the City of Bridgeport announced that they have reached an agreement in principle for the purchase of UI's Steel Point property. The City of Bridgeport, its developer, and UI filed a Memorandum of Understanding (MOU) with the DPUC outlining the agreement. The total amount that UI and the City have agreed to in order to settle all claims against the City and transfer the land is \$14.9 million. The MOU is subject to DPUC approval.

Archives



A few photos from our extensive collection for you to enjoy. We'll be sure to include some in each issue. Please take a moment and send along a note if you can help identify any of the individuals, the date, or the location of the activity



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The United Illuminating Company



Service Awards (20+ YEARS)

Sandra Boisvert	20
Calvin DeMarsilis	20
Joseph Flach	20
Bruce Cuseo	20
Robert Pellegrini	20
Joseph Sammarco	20
Robin Savinelli	20
Judith Sienkiewicz	20
Cristina Silbelus	20
Phyllis Barber	20
Tracey Brown	20
Alma Hackett	20
Kenneth Lupi	20
James Potter	20
Kevin Costello	20
William Ostrum	20
Arthur Ziegler	20
James Caffary	20
Joseph Hamel	20
Roddy Diotalevi	20
Fredericke Parris	20
Ralph Amendola	20

Wendy Ardizzone	20
Sean Cahill	20
Mary Fortin	20
Eve McCarthy	20
Ann Regan	20
Mark Mushkin	20
Michael Clark	20
Michael Guarino	20
Ammie Wilson	20
William Barker	20
Mark Bissell	20
Joanne Durand	20
Patrick Lynch	20
Marion Mullings	20
Sean Saunders	20
Franklin Swezey	20
Desmond Bohan	20
John Glenn	20
Mario Proscino	20
Adla Reddy	20
Doreen Arpino	20
Christian Bilcheck	20
Thomas Cariglio	20

Marianne Klimkowsky	20
Mark Kirschbaum	20
Scott Murphy	25
Gregory Barrios	25
Michael Caprio	25
Brett Saldibar	25
Jannie Underwood	25
Nina Alicea	25
Theresa Covalleski	25
Kenneth lassogna	25
Robert Lancio	25
Anthony Napikoski	25
Marilyn Jerz	25
Michael Somo	25
Ronald Vecellio	25
Lisa Johnson	25
John O'Donnell	25
Maria Febus	25
Anthony Sanchez	25
John Colonnese	25

Charles Letezeio	25
Luz Rodriguez	25
Paul Rook	25
Michael Coretto	25
Karen Finley	25
Michael Arnone	25
MaryEllen Lyons	25
Vincent Morcaldi	25
Kathy Foster	25
Sandra Tinari	25
Anne Tullo	25
Paul Wehner	25
Karen Bunkoci	25
Barbara Sherman	30
Thomas Powers	30
John Adamowski	30
Patricia Galloway	30
Kenneth Lupi	30
Salvatore Lupone	30
Gloria Jara	30
Raymond Kenney	30
Mercedes Perez	30
Willie Wilson	30
Vivian Bagdasarian	30

Retired in 2006

Anthony Cortiglio	8/31/2006
Frank Czuchra	3/31/2006
William Durkin	3/31/2006
Edward Flynn	3/31/2006
Theodore Grave	4/30/2006
James Jansson	3/31/2006
Paul Jones	6/30/2006
Michael Mayo	9/18/2006
Shirley McMillan	1/20/2006
Robert Oleyar	3/31/2006
Wandamae Ortiz	1/31/2006
Arthur Paternostro	9/13/2006
Arnold Principi	8/8/2006
Sulpicio San Juan	4/21/2006
Beverly Wilson	7/7/2006
Nathaniel Woodson	9/29/2006

Jennica Ossi, Central Connecticut State University Co-Op Student, oversaw the design and production of this retirement newsletter.

Hello,

Welcome to the first issue of *The Luminary*, UI's new publication for friends who have retired from the company. Earlier in the year a short questionnaire was sent to everyone asking how they'd prefer to receive the publication. The digital world will have to wait for a time as the response for a traditional newsletter was overwhelming.

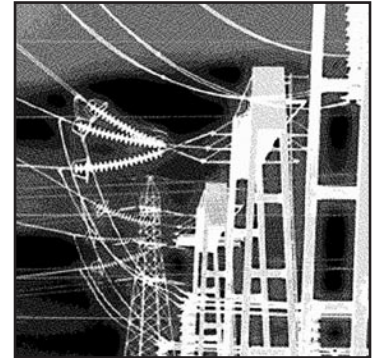
It is hard to know what to include in a publication like this. What is of interest to one person might be of no value to another. Please bear with us as we find our way. We'll be trying to pick stories highlighting important company happenings along with news bits about those you left behind. Please feel free to write with suggestions. Your ideas, hearing what you'd like to see and read will be most helpful.

Plans are for *The Luminary* to hit the US mail at least twice a year, hopefully more. When we pull together enough important things to share, that's when we'll get it into production. So look for us in your mailbox and please take time to write with your ideas. And best wishes from everyone here for a delightful, safe, and healthy holiday season!

Steve Bravar
Director, Corporate
Communications

UI POWER CONTRACTS APPROVED BY DPUC

The United Illuminating Company (UI) has reached an important step in the critical process of securing new power contracts to supply its customers with electricity beginning January 1, 2007. The Connecticut Department of Public Utility Control (DPUC) has approved the winning bids received for all requested portions of the company's three-year multistage power requirements. This action clears the way for the next step in the procedure, the actual determination of rates by the DPUC.



The present search for new power sources was conducted under the most stringent guidelines ever faced by UI in the procurement process. "This has been an intense effort. We reviewed bids from various suppliers before settling on the ones submitted to the DPUC," said Tony Vallillo, president and chief operating officer of UI. "Our search focused on finding the right balance of price, terms, and reliability. We want our customers to get the best value that today's energy market can provide."

UI's present supply contract will expire at the end of 2006 and new sources of electricity were required. Since industry restructuring went into effect in 2000, UI no longer generates the power it provides customers. The Company's service is to deliver the electricity through its transmission and distribution network.

"Since the advent of restructuring in Connecticut, we had been very successful at securing multi-year contracts that served our customers well," continued Vallillo. "This time we were required to purchase shorter-term contracts spread over different time frames. This 'laddering' is intended to reduce the likelihood of volatile prices going forward."

Setting the actual customer rates - residential, commercial, and industrial - is also a complex process. It involves specific analysis of the new supply cost for each customer class. Once UI completes the rate analysis, a comprehensive recommendation will be provided to the DPUC. The DPUC will then review the filing and issue an order that sets the new retail generation service rates effective January 1, 2007.

"All in all, we're very much like the package delivery companies that you see every day. We don't set the cost of the product or mark up its price. Our job is to bring it to your front door safely and reliably," concluded Vallillo.

Please visit www.uinet.com for the latest information on the cost increase. ●

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M|N Project Team Holds Groundbreaking Ceremony for the Singer Substation

On September 27, the M|N Project Team broke ground on the Singer Substation 345-kV Gas Insulated Switchgear (GIS) project. The Singer Substation will become the largest 345-kV GIS installation in the USA and Canada.

Completion of this substation will allow UI to interconnect the planned 345-kV transmission system, existing power plant, and UI's 115-kV feeder system.

Tony Vallillo kicked off the ceremony with the following comments, "The M|N project is the largest transmission infrastructure project in the Company's history. The success of this project will allow us to meet our customer's growing demand for electricity now and in the future. Each member of the M|N team has played a key role in getting us here today, celebrating the fact that we are ready to begin construction on the Singer Substation. The cornerstone of the reliability upgrades associated with the M|N transmission project."



The M|N Project Team and Sponsors pictured from left to right are: Samantha Crowley, Harold Lawson, Tony Napikoski, Ralph Andersen, George Davenport, Rich Pinto, Jim Torgerson, Tony Vallillo, Dennis Hrabchak, Rich Reed, John Prete, Charlie Maresca, Karen Torrenti, Pat Moran, Fred Gohringer. Missing from photo: Rich Peters and Mohammad Pasha.

Jim Torgerson, UIL and UI CEO, said at the event, "UI is making major investments in transmission in order to significantly improve system reliability and to help meet the growing electricity needs for thousands of residents and businesses in Southwestern Connecticut. You folks, the M|N project team, are paving the way for future projects of this nature and magnitude in the new Transmission Business at UI."

Bridgeport Mayor John M. Fabrizi also attended the event. "Bridgeport is excited to kick-off construction of the Singer Substation. We appreciate

the Singer Substation construction project in a number of ways, most importantly, tax dollars coming into the city. We are pleased to have UI manage a grid, which will be effective and efficient, allowing Bridgeport to continue their economic agenda with resources from UI."

UI has chosen Siemens Power Transmission & Distribution, Inc. of Raleigh, North Carolina as the major contractor for the project. Siemens has hired McPhee Electric of Farmington, Connecticut and Manafort Brothers of Plainville, Connecticut as participants in the construction of the substation. ●

UIL Divests Xcelecom's System Integration Companies

UIL announced on Friday, September 1, that its wholly owned subsidiary, Xcelecom Inc. has sold all of the outstanding shares of stock in its three Systems Integration companies to NWN Corporation, a Delaware company headquartered in Waltham, Massachusetts. The sale price is \$16.5 million, which is subject to certain post-closing adjustments. Included in

the sale price is an interest bearing promissory note in the amount of \$4.0 million, of which \$2.5 million is payable in August 2007 and \$1.5 million is payable in August 2008. After transaction costs and income taxes, UIL will recognize a gain of approximately \$2.4 million. The Systems Integration companies are The Datastore, Inc. in New Jersey, 4Front Systems, Inc. in North Carolina and Datanet Services, Inc. (DSi) in North Carolina.

"These companies have provided the corporation with solid value throughout our ownership. We

believe that under our stewardship we have helped these companies evolve from a pure entrepreneurial position to develop the discipline and rigor to now move onto this next step in their lifecycle as companies," commented Nat Woodson, retired UIL chairman. "We sincerely appreciate the dedication and hard work of the leadership and all employees at the System Integration companies. Through the years, we have been honored to work together for the benefit of our shareowners. We wish them the very best in their next chapter under the new ownership of NWN Corporation." ●

Torgerson Elected CEO of UIL



The Board of Directors of UIL Holdings announced on June 30, the election of Jim Torgerson as Chief Executive Officer of UIL, effective July 1, 2006.

Jim Torgerson has succeeded Nat Woodson, who announced his retirement earlier this year. Nat served as chairman, president, and CEO for UI since February 1998. Nat Woodson also served as chairman of the board of UIL Holdings Corporation and was

president of United Resources, Inc. Nat's final day was September 30, 2006.

Jim Torgerson has become president and chief executive officer (CEO) of UIL Holdings Corporation and CEO of The United Illuminating Company. He is a native of Cleveland, Ohio, and received a Bachelor of Business Administration in accounting from Cleveland State University. Prior to joining the UI family, Jim served as President and Chief Executive Officer of the Midwest ISO and a member of the Board of Directors. ●

UIL Elects Non-Executive Chairman of the Board and Elects CEO as Board Member

UIL recently announced the election of F. Patrick McFadden, presently Lead Director of UIL's Board of Directors, as the Non-Executive Chairman of the Board of Directors, effective October 1, 2006. Mr. McFadden succeeded Nat Woodson.

The decision to elect a Non-Executive Chairman is consistent with UIL's practice as an industry leader in corporate governance. The Non-Executive Chair's role is to focus on the functioning of the Board, enhance the independence of the Board, and provide clear support to the Chief Executive Officer in running the Company.

Mr. McFadden, the former Chairman and Chief Executive Officer of Citizens Bank of Connecticut, is also Vice-Chairman of the Board of Directors for Yale-New Haven Health Services Corporation, and a Board Member for Higher One, a banking company. Mr. McFadden has been a Board Member of UIL since 1987. ●

UI Approves Demolition Plan

UI has recently provided the City of New Haven the approval needed for the implosion phase of the New Haven Coliseum Parking Garage. UI's main concern was the protection of its underground electrical equipment during the demolition and implosion phases. This equipment provides electricity to 1,800 residential and business customers in the area. Along with reliability issues, UI needed a plan and assurance to get safe access to this equipment in the event of a problem. During the implosion UI will have crews standing-by in case of emergency or damage to the system.

2006 CEO Awards Presented

At a ceremony held in September, Jim Torgerson and Tony Vallillo, both representing the Office of the Chief Executive Officer (CEO), presented four employees with the company's newly named CEO Award. The employees received recognition for their accomplishments achieved during the first half of 2006.

"We are here to recognize people who have done exceedingly good work," commented Jim Torgerson. He also stressed the underlying theme for each recipient.

"The people acknowledged today have a common thread," said Jim, "they accomplished their tasks by recruiting and utilizing resources and people from other departments. This is where their leadership and initiative really had the opportunity to shine."

The award recipients were:

Roddy Diotalevi, of Client Services, was recognized for achieving outstanding results in UI's Demand Response program.

Ken Good, of Finance, was recognized for finding two Gross Earnings tax (GET) credit misapplications in the SAP system.

Bill Manniel, of Human Resources, was recognized for his exemplary leadership in the area of labor relations.

Jim Penna, of Corporate Affairs, was recognized for his initiative in investigating existing or prior interconnection agreements, land leases, and services contracts for unbilled revenue.

Each recipient was selected through a nomination process that recognized superior commitment to the Company and the completion of a project or task with exceptional results. The CEO Awards are presented twice a year for projects completed during the previous six months. ●



UI Crew Attends International Lineworker's Rodeo in Bonner Springs, Kansas



Pictured with friends and family from right to left: Back row: Calvin DeMarsilis, Will Coleman*, Joanne Gorman, Ed Gorman*, James Christiano**, Thomas Jeger**, Carol Nichols. Front row: Nancy Narette, Annette Coleman with Jasmine and Will, Jr. Walter Booker**, Michele Christiano, Lindsey Jeger, Rebecca Nichols**, and Scott Murphy**.*

UI Power Delivery sent a crew of three journeymen*, three apprentices**, and two coaches*** to the 23rd Annual International Lineworker's Rodeo that was held on Saturday, October 7. Kansas City Power & Light and Westar Energy hosted the event.

The Lineworker's Rodeo attracts the best crews from around the world to compete in events based on traditional lineworker's tasks. The first Rodeo was held in September 1984, with twelve participating teams from Kansas and Missouri. The Rodeo has now grown to over 200 teams and more than 200 apprentices that come to compete. Team events are: hurt man rescue, pole climb, and two mystery events. The apprentice events are: hurt man rescue, pole climb, CPR with AED, one mystery event, and an apprentice written test. ●

New Technology Launched in Client Fulfillment

On June 14, UI Client Fulfillment launched a brand new technology that will save customers' the aggravation of waiting for a live agent to pick up. It is a "first in, first out" return call technology by Virtual Hold (VH); a leader in queue management systems.

The new system is a call back queuing technology, because it does just that, calls back! Customers no longer have to put their lives on hold while on hold. Customers now have the choice to hold or follow other call back options.

"The process is simple to follow, can be used on any touch-tone phone, and is available in Spanish. Our goal in using call back queuing is not only to

manage our call volume daily, but to provide a valuable service to all our customers," said Curtis Hill, business analyst.

"Adding this technology is working toward the one main goal, which is the process of fulfilling customers' requests. We want them to come away from calling UI's Client Relations Center with a positive experience and a satisfactory resolution of their inquiry or problem," said John Moroniti, process manager for Client Fulfillment.

The objective of this technology was to apply call back queuing that will match call center resources to reduce average speed to answer, reduce call abandonment, and increase customer



East Shore Reaches Major Safety Milestone

East Shore facility's one-year anniversary was celebrated with recognition of a significant safety milestone. During the week of July 21, 2006, employees at East Shore, including Standard Field and Revenue Meter Services, went one year—365 days—without a lost time accident.*

"We acknowledged that we were nearing the milestone this past June, when UI CEO Jim Torgerson, President and COO Tony Vallillo, and Joe Thomas, associate vice president and general manager of Client Fulfillment, joined us for a safety luncheon," said Rich Cutuli, director of Standard Field.

East Shore has a work force of almost 100 people at this facility; with most of them in the field. The management team stresses safety daily, doing safety checks and reinforcing the use of personal protective equipment.

**East Shore is still going strong with 495 days of no injuries!*

access to information through self-service options. The goal of the Client Relations Center is to persuade 50 percent of customers who qualify for call back queuing to use it. The daily average thus far is about 47 percent.

"These are great numbers for the service, especially being a very new option, nevertheless, customers should feel safe that all emergency and power outage calls will be answered immediately by service agents," said Jayne Engstrom, director of the Client Relations Center. ●