



PRESS RELEASE

Former Board Member of Connecticut Energy Cooperative Sentenced to Prison for Misusing Funds

Thursday, May 18, 2023

For Immediate Release

U.S. Attorney's Office, District of Connecticut

Vanessa Roberts Avery, United States Attorney, for the District of Connecticut, announced that JOHN BILDA, 59, former City of Norwich representative on the Connecticut Municipal Electric Energy Corporation (“CMEEC”) Board of Directors, was sentenced today by U.S. District Judge Jeffrey A. Meyer in New Haven to six months of imprisonment, followed by three years of supervised release, for misusing CMEEC funds.

CMEEC is a cooperative public corporation that permits municipal electric utilities in Connecticut to join together to furnish electric power in the municipalities’ areas of operation. CMEEC’s members included the City of Norwich, the City of Groton, the Borough of Jewett City, the Second Taxing District of the City of Norwalk, the Third Taxing District of the City of Norwalk, and the Town of Bozrah. As the owners of CMEEC, each member town executed an agreement through its respective municipal electric utility outlining the terms and conditions under which the CMEEC members participated together in CMEEC. The CMEEC membership agreement provides that excess revenues are designated as “CMEEC Margin,” and that the excess revenues are to be returned to the member towns to help keep electricity costs stable for ratepayers.

Between 2010 and 2015, CMEEC received more than \$9 million dollars from the U.S. Department of Energy. CMEEC member towns also received funds from federal grants.

According to the evidence and testimony presented during a trial in 2021, Drew Rankin, who was the former chief executive officer of CMEEC, Bilda, and other members of the CMEEC Board of Directors, planned, organized, and directed lavish trips outside of Connecticut, including trips to the Kentucky Derby in 2015 and 2016, and to a luxury golf resort in West Virginia in 2015. These trips did not relate to CMEEC business, but were intended to personally benefit, compensate and reward Rankin, Bilda, CMEEC Board members, their family members, friends, and associates. Costs for the trips, which totaled more than \$800,000, included travel expenses, private chartered airfare, first-class hotel accommodations, meals, tickets to sporting events, golf fees, souvenirs and gifts.

For the Kentucky Derby trip in 2015, which had an average cost of approximately \$9,000 per guest, Bilda brought his wife, his parents, and two friends. In August 2015, Rankin, Bilda, and two other CMEEC Board members traveled, at CMEEC expense and a cost of more than \$21,000, to the Greenbrier golf resort in West Virginia. In October 2015, Rankin, Bilda, and several others returned to the Greenbrier at a cost to CMEEC of more than \$100,000.

In response to reporter inquiries about the Kentucky Derby and golf trips, Rankin underreported the costs of the trips, omitted the names of attendees who were not CMEEC employees or board members, and made other false statements related to how the trips were funded. After the trips were known to the general public, CMEEC canceled a reservation it had made for the 2017 Kentucky Derby, and was refunded only approximately \$90,000 of the \$298,960 it had prepaid for the trip in May 2016.

On December 10, 2021, a jury found Rankin, Bilda, and James Sullivan, the former chairperson of the CMEEC Board of Directors, guilty of one count of theft concerning a program receiving federal funds.

Judge Meyer previously sentenced Rankin to 12 months of imprisonment, and Sullivan to six months of imprisonment.

Restitution will be determined after additional court proceedings.

Bilda is required to report to prison on July 12.

This matter has been investigated by the Federal Bureau of Investigation; Internal Revenue Service, Criminal Investigation Division; with the assistance of the U.S. Department of Homeland Security – Office of Inspector General and the U.S. Department of Energy. The case is being prosecuted by Assistant U.S. Attorneys Sarah P. Karwan, Michael S. McGarry and Tara E. Levens.