

**Regular Meeting of the  
Connecticut Energy Advisory Board**

Meeting Minutes  
October 3, 2006

**1. Call to Order**

The October 2006 monthly meeting of the Connecticut Energy Advisory Board was held at 10:00 am on Tuesday, October 3, 2006 at the Connecticut Economic Resource Center in Rocky Hill, Connecticut. Members present were Donald Downes, Chairman of the Department of Public Utility Control (DPUC); Mary Healey, Connecticut Consumer Counsel; Marie O'Brien, president of the Connecticut Development Authority (appointee of the Governor); James Sandler, partner in the Law Firm of Sandler & Mara (appointee of President Pro Tempore of the Senate); John Mengacci designee of the Secretary of the Office of Policy and Management (OPM); Gina McCarthy, Commissioner of the Department of Environmental Protection (DEP), Pam Sucato, designee of the Commissioner of the Department of Transportation, and David Carey, designee of the Commissioner of Agriculture. Guest of the board was Ray Wilson of OPM.

**2. Public Comment**

Chairman Downes opened the meeting to public comment. No comments were offered.

**3. Approval of Minutes**

Chairman Downes asked the board to review the minutes of the September meeting which were distributed prior to the meeting. The board approved the minutes as distributed.

**4. Chairman's Report**

DPUC 05-07-14Ph2 RFP: Chairman Downes reported that 45 bidders had registered as of September 29 and that was more than he anticipated.

The chairman described the energy outlook surrounding the RFP citing two things of significant impact on the state: the upcoming forward capacity markets and the Locational Forward Reserve Market (LFRM). Multi million dollars are at risk to Connecticut as a result. Chairman Downes distributed and briefed the board on an ISO-NE Southern New England Transmission Reliability (SNETR) presentation and followed that by distribution and review of a leadership presentation on Connecticut transmission upgrades from Northeast Utilities (NU).

As chairman of DPUC, Mr. Downes is reaching out to his counterparts in Rhode Island and Massachusetts on SNETR. CEAB's RFP subcommittee is considering issuing proactive RFPs as a means of keeping the initiative moving forward and the subcommittee should reach out to representatives of NU as well.

The NU leadership presentation cites the Bethel-Norwalk line as ready to be used after final testing. It also reported on remaining 2006 milestones for the Middletown-Norwalk line. Possible tapping of Canadian energy was covered in the presentation as well.

The bottom line is that transmission in Connecticut and the region needs to get fixed as a first step in enhancing energy reliability.

Chairman Downes noted a recent federal Department of Energy report on transmission called out Connecticut as a transmission area of interest. The national Energy Policy Act (EPAAct) is concerned with concentrating on areas of energy transmission congestion in the country. Under EPAAct DOE reporting is supposed to include conversations with the states and this has not taken place with Connecticut. There is a letter drafted from Governor Rell to DOE on this and CEAB will review that draft and consider its own letter to DOE on the subject. Comments are due by October 10, 2006. ISO-NE filed comments on this earlier and is considering what further comments if any to file by the 10<sup>th</sup>.

Chairman Downes was able to have a conversation with the head of the Federal Energy Regulatory Commission last week at an ISO event and was able to confirm that he is aware of Connecticut's initiatives and positive actions.

## **5. Governor's Energy Policy Plan**

Mr. Mengacci pointed out that many of the policies included in the recently released plan of the Governor are the same as those put forth by CEAB. Chairman Downes, Commissioner McCarthy and Mr. Mengacci were on the task force that worked on the Governor's policy plan. The portion of the plan impacting CEAB the most is the moving of several CEAB responsibilities to OPM. Work is underway to determine what initiatives in the plan need legislation to implement and which might be done by Executive Order.

The board members discussed the implications going forward of the Governor's plan and how the group should address it. Ms. O'Brien suggested a group from CEAB review the 2003 legislation reconstituting CEAB and the Governor's plan for impacts and actions by the board. CEAB's value lies in its being a strategic body taking a long term perspective by multi-entity representatives. The Governor's plan targets implementation.

Commissioner McCarthy suggested that the Governor's plan provides a good opportunity for CEAB to complete its thinking on what the board's role really should be and what is its best composition. She suggested the board's mission might be oversight of implementation of energy strategies. She indicated that she felt the board's participation in regional energy planning is also important.

Ms. Healey expressed concern about the impact of OPM's energy division expansion plans on the statutory responsibilities of the CEAB and recommended further discussion with the board going forward to assess the pros and cons.

Mr. Mengacci, through Ms. Deans, will reach out to board members and representatives who want to participate in a discussion on legislation related to the future role and composition of the board.

## **6. 2007 CEAB Energy Plan**

Ray Wilson of OPM presented the working draft of the 2007 CEAB Energy Plan to the board. This year's plan is a broader plan that goes beyond electricity and natural gas. Mr. Wilson reviewed the process for finalizing a draft to put out for public comment. Over the next two weeks comments from the board and the agency staff work group will be collected by Ms. Deans and passed on to William Leahy of ISE. Mr. Leahy will consolidate these comments into a revised working draft for the staff group to review and edit before submitting a draft plan to the board to vote on at the November meeting.

## **7. Consulting RFPs**

Mr. Wilson reported that only one response had been received to assist with the preparation of the board's 2008 energy plan. The proposal will go to the review committee for scoring. As part of the evaluation process the committee can accept, reject or take no action on the proposal. The board discussed its concern about going forward with hiring a consultant on the basis of just one submittal and the impact the Governor's energy policy plan will have on the next plan. It was suggested in light of the Governor's new recommendations extension of consulting contracts might be the best tactic at this time.

Mr. Wilson went on to report on the RFP being developed for technical consulting services when LaCapra's contract expires in February of 2007. The board felt strongly that at least until new legislation is in effect, they would need technical consultants to support their regional participation and evaluation of energy proposals in the pipeline.

Lastly, Mr. Wilson noted that although the board had indicated its support to extend the administrative services contract with CERC through 2007 and approved the budget for this, no formal vote had been taken to approve the contract. After discussion, the board moved, seconded and voted approval of the extension of the CERC contract through 2007.

## **8. Adjournment**

There being no other business for the board to consider, the meeting was adjourned at 11:30 a.m.

Submitted by: Gretchen Deans

Approved by: Connecticut Energy Advisory Board, November 7, 2006