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# Chairman's Report

August 3, 2007



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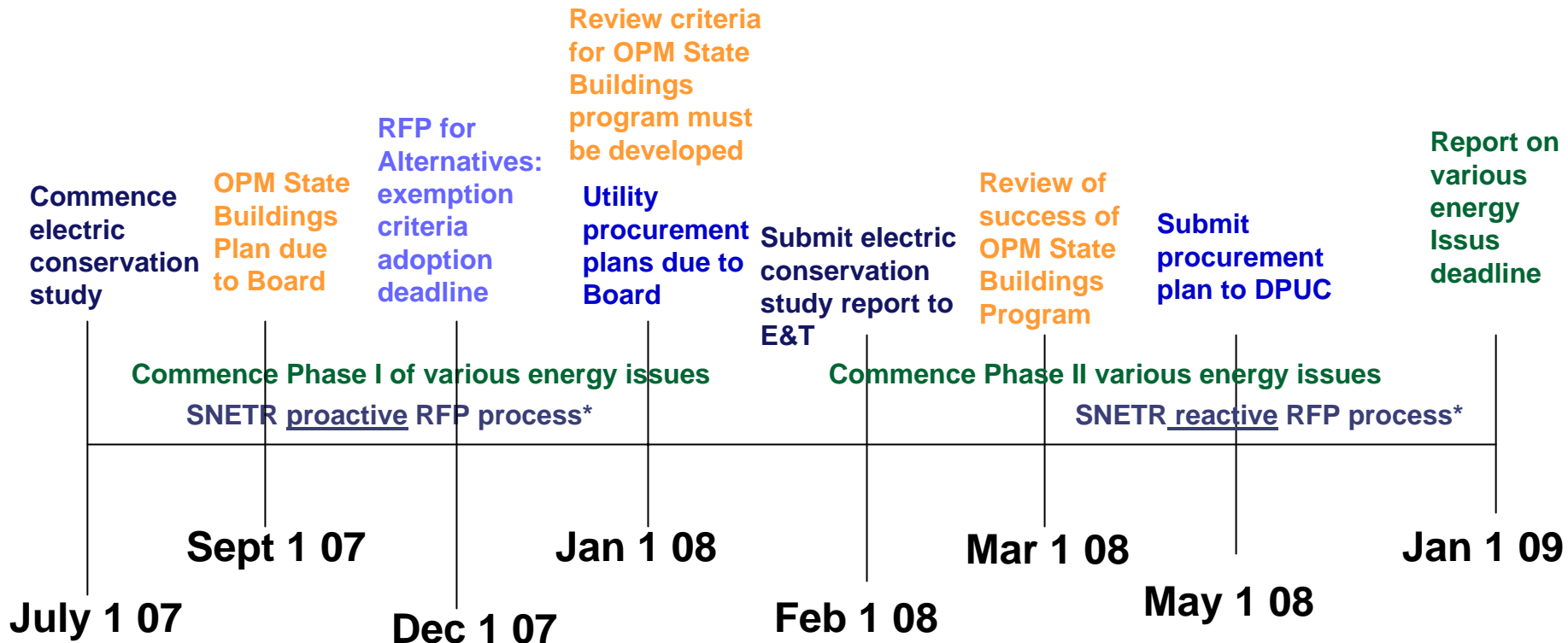
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# Overview

- Membership
  - Status update on appointments
- Last meeting
  - Timeline for completing new and on-going tasks largely met with Board's approval
    - Exception - revision of "various energy issues" scope of services
  - Discussion of staffing issue to be continued
- Next steps
  - Review status of on-going and planned tasks; move business as needed
  - Discussion of workshop and briefing documents

# Timeline of Tasks



As of 7/30/07, NU anticipating a mid 08 filing date with Siting. Thus, reactive RFP dates only a proxy.

# Electric Conservation Programs Study

- Background
  - 07 energy bill requires CEAB to conduct a study to evaluate “efficiency, innovativeness and customer focus of electric conservation programs” in Connecticut
- Status
  - Board approved scope of services and established vendor selection subcommittee at July meeting
  - RFP out; bids due Aug 16
- Timeline
  - Vendor selection in Sept; contract final in Oct
  - Public hearing in Nov; draft Dec 1
  - Final draft Jan 15; submit to E&T Committee by Feb 1 (will require special meeting in late Jan to approve on time for submission)
- Board Action Required
  - None
  - Selection subcommittee must convene before Aug 16

# Annual Review OPM Strategic Plan

- Background
  - 2007 energy legislation requires Board to do annual review of OPM's *Strategic Plan to Improve Energy Management in State Facilities*, measure success of plan implementation and determine societal benefits derived
- Status
  - OPM in drafting process; anticipates delivery to Board on time
  - Recommend LaCapra work order to: 1. provide analysis of report and recommended modifications; and 2. develop and recommend system wide savings measurement methodology
    - Approval of LaCapra work order at Sept meeting
- Timeline
  - Plan due Sept 1
  - Board must approve/modify by Jan 1
  - Board must measure success of plan's implementation on/before Mar 15
  - Recommend OPM presentation of Plan at Sept meeting; discussion of measurement criteria at Oct meeting; discussion of modified report at Dec meeting
- Board Action Required
  - None

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# RFP Exemptions: Criteria Approval

- Background
  - Request For Proposal (RFP) exemptions enacted in 2007 energy legislation
  - CEAB is required to approve additional criteria for considering whether a RFP process should not be required for a specific application
- Status
  - Tasked as a LaCapra work order at July meeting
  - Draft straw man proposal completed and approved by staff working group
- Timeline
  - Release straw man for public comment - Aug
  - Redraft based on comments – Oct
  - Public hearing – Oct 10
  - LaCapra final draft criteria - Nov
  - Final Criteria adoption by Dec 1 (likely require special Nov meeting)
- Board Action Required
  - Vote to approve draft straw man Request for Comment

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# Net Energy Analysis

- Background
  - 2007 energy legislation requires CEAB RFP for alternatives process include a net energy analysis of each of the proposed facilities
- Status
  - Tasked development of methods to implement analysis to LaCapra
  - Work order drafted and approved by staff working group
- Timeline
  - LaCapra developing white paper/bibliography on net energy analysis to be presented to Board this fall
  - LaCapra to draft straw man methodology proposal and issue a RFC
  - Public hearing in Nov
  - Final recommended methodology for Board approval in early 08
- Board Action Required
  - Vote to approve draft work order

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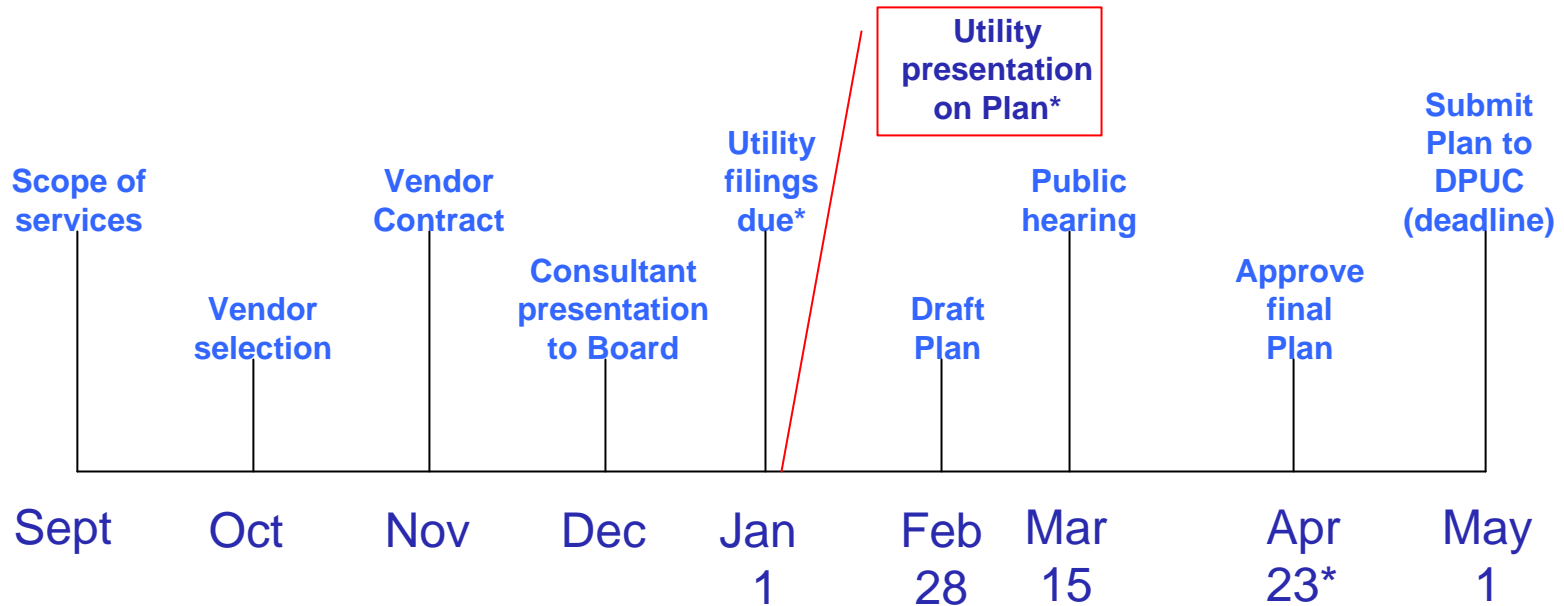
# Report on Various Energy Issues

- **Background**
  - 2007 energy legislation required, by Jan 1 08, Board must conduct a study to develop recommendations on:
    - Coordinating and integrating the state's energy entities; and
    - Achieving goals of RGGI and state efforts to reduce greenhouse gasses; and
    - Promoting indigenous alternative fuel resources
  - Report due to E&T Committee by Jan 1 09
- **Status**
  - Last month, Board consensus to redraft scope of services to meet DEP raised concerns
  - Scope redrafted to address DEP concerns
- **Timeline**
  - Scope calls for vendor to begin research (Phase I) this fall; policy recommendations (Phase II) can begin upon completion of procurement plan
- **Board Action Required**
  - Vote to approve draft scope of services

# Procurement Plan

- Background
  - 2007 energy legislation requires Board to prepare a comprehensive resource procurement plan
    - Plan must first meet resource needs through all available energy efficiency and demand reduction resources that are cost effective, reliable and feasible
- Status
  - Draft scope of services needs further staff revision
  - Board consideration of scope at Sept meeting
  - UI and CL&P doing joint filing; currently seeking consultant to complete work by Nov 1
  - Recommend utilities do presentation on plan to Board at Jan regular meeting
- Timeline
  - See next slides for statutory and Board task timelines
- Board Action Required
  - None

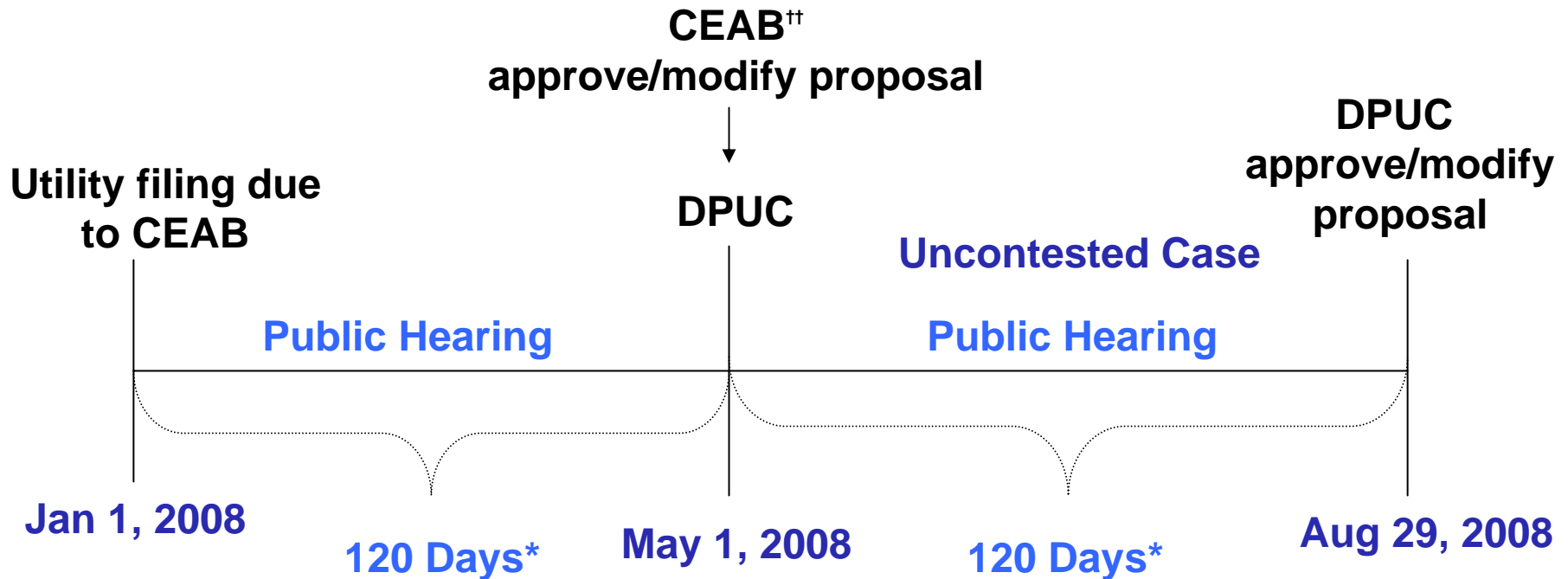
# Procurement Plan: Board Task Timeline



\*recommend utility presentation at Jan 4 Board meeting

\*\*schedule teleconference vote with Board – week of Apr 21<sup>st</sup>

# Procurement Plan: Statutory Timeline



\*Beginning calendar year 2009, CEAB and DPUC each have 60 days to approve/modify plan

<sup>††</sup>DOT, DPUC and Agriculture shall not participate as members of the Board

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# NEEWS RFC

- **Background**

- New England East-West Solutions (NEEWS) transmission system upgrade comprised of multiple 345 kv transmission line projects in southern New England
- CEAB anticipates NU's Siting Council filing in mid 2008
- CEAB required to do "reactive" RFP; may do "proactive" RFP, for alternatives to proposed transmission line projects

- **Status**

- Board approved request for comment to explore the process CEAB should employ to identify whether, and to what extent, alternatives other than new transmission facilities, such as local generation or load management, can address the need for NEEWS

- **Timeline**

- Request for comment issued Friday, Jul 6
- Initial comment period 3 weeks
- Staff working group agreed to extended comment period by 1 week; deadline Aug 3
  - Recommend discussion of comments received at Sept meeting

- **Board Action Required**

- None

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# CERC Contract Extension

- Background
  - Board contracts with CERC to provide administrative and support services
  - Last month, Board asked OPM to craft an amendment CERC contract to extend 2 years - through 2009
    - Existing contract approved 2006
    - Board allowed to extend contract for a period up to the original contract period (2 years)
- Status
  - Extension drafted
    - Contract will expire 12/31/09
- Board Action Required
  - Vote to approve contract amendment

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# 2008 Budget

- Overview
  - Total proposed budget \$1.42M
    - Current budget \$883,450
  - ~38% increase due to additional consulting services needed to complete tasks in 07 energy legislation
  - \$250k included should Board choose to hire staff
    - Recommend deferring discussion of adding staff until more appointments made
  - Anticipated reduction for 09 due to consultant services displaced by Board staff
    - Assumes no new tasks for Board in 09 requiring consultants
- Timeline
  - Due to be filed with DPUC in Sept
- Board Action Required
  - Vote to approve 2008 proposed budget

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# Workshop

- Background
  - At July meeting, Board proposed “workshop” where ISO-NE invited to educate Board on 2 timely issues:
    - Results of Scenario Analysis; and
    - FERC 890 straw man
- Status
  - Logistical arrangements made, including
    - LOB Room 2C booked for Aug 9 12:30 – 2:30
    - Invite/appointment follow up letters sent to appointing authorities
    - Energy and Technology Committee members individually invited
    - ISO-NE committed to provide presentation materials in advance
  - LaCapra prepared briefing materials for each issue (provided)
    - Overview memos
    - 1-pager summaries
    - Questions to be posed to ISO-NE by Board members
- Board Action Required
  - None