

March 20, 2009

**COMMENTS OF ENVIRONMENT NORTHEAST
TO THE CONNECTICUT ENERGY ADVISORY BOARD
ON THE 2009 INTEGRATED RESOURCE PLAN FOR CONNECTICUT
SUBMITTED BY THE CONNECTICUT LIGHT AND POWER COMPANY
AND THE UNITED ILLUMINATING COMPANY**

I. INTRODUCTION

Environment Northeast (ENE) appreciates the opportunity to present comments on the 2009 Integrated Resource Plan for Connecticut (the “IRP”). The Connecticut Light and Power Company and The United Illuminating Company (the “Companies”) have filed the Plan in response to the requirements of Section 51 of Public Act No. 07-242 (Sec. 51) which requires them to develop a comprehensive plan for the procurement of energy and capacity resources after assessing the need for such resources. The overall statutory purposes of the comprehensive plan are to minimize the cost of such resources and to maximize consumer benefits consistent with the state’s environmental goals and standards. Sec. 51 (a). The Act gives clear direction as to the priority of resources and requires that needs “shall first be met through all available energy efficiency and demand reduction resources that are cost-effective, reliable and feasible.”

The 2009 IRP builds on the analysis and data that is contained in the 2008 IRP and provides ten whitepapers discussing issues that were identified by the Companies and the CEAB. It is a thoughtful document which provides a strong foundation for moving forward with electric procurement planning in the state and makes sensible recommendations. As was the case in the 2008 Plan, the most important action recommendation is that the State should commit to funding expanded energy efficiency. ENE strongly supports this recommendation as is discussed more fully below.

II. THE EXPANDED ENERGY EFFICIENCY PROGRAM IMPLEMENTS THE STATUTORY REQUIREMENTS AND SHOULD BE SUPPORTED BY THE CEAB.

The Expanded Energy Efficiency Program described in Sec. 2.C of the 2009 IRP contains a review of additional program elements which could be added to the existing programs administered by the Companies to provide higher levels of cost-effective customer savings. These elements are based on current programs which have demonstrated records of success and, in many cases, have had to be curtailed in the recent past due to limited funding and excess demand for services. Using the standard procedures for estimating costs and benefits, the Expanded Energy Efficiency Program is expected to produce \$1.5 billion more in net electric system benefits than the current Reference level programs. It is important to note that this estimate does not fully capture environmental benefits which have not been fully monetized economic benefits to the State from increased employment and the “multiplier” effect of the recirculation of customer savings in the state’s economy. See discussion at p. 2-30 of the 2009 IRP. Section 52 of Public Act 07-242 provides the appropriate process for a more detailed review of these programs through the Conservation and Load Management dockets that regularly review the current energy efficiency programs.

It is abundantly clear that this recommendation is entirely consistent with the language and purpose of Section 51 and should be approved. It meets the statutory goals of minimizing the cost of resources to customers over time and maximizing consumer benefits consistent with the state’s environmental goals and standards, as well as the mandate to meet resource needs through “all available energy efficiency and demand reduction resources that are cost-effective, reliable and feasible.” The proposed ramp-up of efficiency programs has been modified somewhat from the 2008 IRP to provide a more sustainable path for the acquisition of these resources over time. Maintaining a consistent level of support for the energy efficiency programs is critical to the development and maintenance of the vendor infrastructure which provides the efficiency services.

III. The Procurement Plan Should be Based on Meeting the Statutory Requirements.

The Notice of Public Hearing requests comments on recommendations to better conform to the statutory requirements and to ensure compliance with the Final Decision of the Department of Public Utility Control (DPUC) in Docket No. 08-07-01. ENE respectfully suggests that the primary focus of the CEAB should be on meeting the statutory requirements. The CEAB is an independent body which is charged with certain important responsibilities under Section 51, including the development of a procurement plan in accordance with the statute. It should exercise that responsibility to the best of its ability.

Of course, the CEAB should seek to cooperate with the Department in discharging its responsibilities. In particular, the Final Decision requests that certain additional information should be provided concerning the resource assessment and the Plan, including rate impacts of the Plan and the effect on energy requirements of C&LM programs. Final Decision at 37, 38, ---. This information should be included in the Plan.

Respectfully submitted,
ENVIRONMENT NORTHEAST

By: Roger E. Koontz
Senior Attorney

