

# 2010 Procurement Plan Pre-Hearing Comments

Connecticut Energy Advisory Board (CEAB) requested written comments on the Electric Distribution Companies' (EDCs') Integrated Resource Plan (IRP) for Connecticut. The IRP filed on January 1, 2010 by the EDCs (<http://www.ctenergy.org/pdf/2010IRP.pdf>) was the result of a collaboration effort between the EDCs and the CEAB. The plan for 2010 was to create a fully integrated resource plan to bring the Procurement Plan in full compliance with the statutory requirements. However, the IRP was written by and expresses the opinions of the EDCs, not the CEAB. The CEAB will be making modifications before the filing with the Department of Public Utility Control (DPUC).

On January 6, 2010, the CEAB issued a notice soliciting written comments on the EDCs' IRP by noon on January 25, 2010 and publicizing a public hearing on same scheduled for February 11, 2010. The notice was posted on the CEAB web site. It was also published in the Hartford Courant and Journal Inquirer on January 8, 2010, after which it was posted to the web site [www.ctpublicnotices.com](http://www.ctpublicnotices.com). Coincidental with these events, links to the notice on CEAB's web site were emailed to CEAB's service list of over 800 individuals on January 7, 2010 and a reminder e-mail was sent on January 22nd.

This piece provides an overview of the notable comments received in advance of the CEAB Hearing on the 2010 Procurement Plan.

**Section 1** – What was requested and who responded

**Section 2** – Notable comments organized by topic

**Section 3** – Summary of comments organized by entity/person

## Section 1 – What was requested and who responded

### Request for Comments

The CEAB's Request for Comment invited interested persons to submit Written Comments that focus on:

- The way in which the EDCs Plan meets the statutory requirements.
- Ways in which the EDCs Plan should be modified to better conform to the statutory requirements, particularly specific comments with associated recommendations.
- Input on longer term resource planning perspectives.

## Response

The CEAB received 26 sets (5 from individuals, 21 from entities)

1. Janak Desai
2. Kenny Foscue
3. Robert Fromer
4. Harsh Luthra
5. Pete Tavino
6. Bristol Resource Recovery Facility Operating Committee (BRRFOC)
7. Citizens Against Overhead Power Line Construction (CAOPLC)
8. Clean Water Action (CWA)
9. Connecticut Center for Advanced Technology (CCAT)
10. Connecticut Clean Energy Fund (CCEF)
11. Connecticut Fund for the Environment (CFE)
12. Cornwall Energy Task Force
13. Environment Northeast (ENE)
14. Environmental Entrepreneurs (E2)
15. New England Clean Energy Council (NECEC)
16. Northeast Energy Efficiency Council – CT Chapter (NEEC-CT)
17. Northeast Energy Efficiency Partnerships (NEEP)
18. NRG
19. PACE
20. Plumbers and Pipefitters Local 777
21. Portland Clean Energy Task Force
22. Poulsen Hybrid
23. Sierra Club
24. Towantic Energy
25. Town of Oxford
26. Water Energy

To provide some perspective, the response in prior years was as follows. In 2008, 20 entities submitted comments and another 42 persons and entities submitted e-mails to the CEAB in response to its request for written comments on the 2008 IRP. (The e-mail responses were in support of the comments made by ENE.) In 2009, the CEAB received 11 sets of comments.

### Organizations That Commented in 2008 but Not in 2009 or 2010

AARP  
 American Lung Association  
 Attorney General  
 CMEEC  
 Constellation/RESA Joint Comments  
 Energy Conservation Mgmt Bd  
 FirstLight  
 League of Women Voters of CT  
 Milford Enviro Concerns Coalition  
 Noble Environmental Power

## Organizations That Commented in 2009 but Not in 2010

Connecticut Light & Power  
 Sky Train Corporation/Connecticut Monorail Project  
 New England Power Generators  
 United Illuminating Company

## Section 2 – Notable comments organized by topic

In this section, we have attempted to capture the notable comments on the following topics:

- A. Comments on Finding, Recommendations and Compliance of the EDCs' 2010 IRP Plan**
- B. Specific Comments on Direction of Connecticut's Long-term Strategic Electric Energy Planning**

### **A. Comments on Findings and Recommendations of the EDCs' 2009 IRP Plan**

The EDCs' IRP Plan was made up of a series of "white papers" on 10 topics related to planning. Each paper contains finding and recommendations. The executive summary contains findings and recommendations that are a reflection on overall process and may or may not be contained in the white papers.

#### **General Comment on Plan**

Overall, the comments were positive about the improvements in this year's plan. Entities took exception to certain assumptions and conclusions but in general indicated that they thought this year's effort was a significant improvement over the past two years.

#### **Comment on EDCs' Executive Summary Recommendations:**

##### Targeted DSM Expansion strategy should be funded.

- Thirteen commenters called for the All Cost-effective Strategy to be adopted. (CFE, CWA, E2, ENE, Desia, Foscue, NEEC-CT, NEEP, NECEC, PACE, Portland Clean Energy Task Force, Poulsen Hybrid, Sierra Club,)
- A number of commenter said they did not think the IRP complied with the statute because they say the statute states that all cost effective energy efficiency should be procured. (PACE, ENE, MEEC-CT, NEEP)
- Most stated that they thought the long-term benefits more than outweighed any short-term rate impacts.
- NEEP took issue with the IRP's recommendation that the SBC increase was the only way to fund more DSM. They point to creative funding solutions and the possibility of rate basing the costs.

## Engage with other New England states to develop a comprehensive regional renewable energy policy

- Ten individuals or entities who commented on renewables, agreed with a regional approach to renewables but specifically called for the plan to include in-state renewables plan. (Desai, Sierra Club, Poulsen Hybrid, Plumbers and Pipefitters Local 777, CCAT, BRRFOC, Portland Clean Energy Task Force, CCEF, ENECWA, CFE)
- Specific technologies that commenters thought should have been taken into account were:
  - Solar thermal (Poulsen Hybrid, Plumbers and Pipefitters)
  - Geothermal heat pump (Water Energy Distributors)
- Other concerns expressed
  - Disagrees with IRP's conclusion that fuel cells are similar to natural gas in terms of environmental benefit (CCAT)
  - Not satisfied that analysis took into account that the cost of some renewable resources will decrease over time. (CCEF)
  - IRP undervalued Class II Renewable Energy Credits attributed to solid waste energy facilities. (BRRFOC)
  - What is assumed to be Vermont's RPS is actually Vermont's goals. (CCEF)
- A couple of groups expressed concern about the degree to which renewables may not be there when the IRP assumes it will. (NRG, Towantic)
- Process for permitting and financing renewables needs to be simplified and streamlined. (Luthra)

## UI (only) recommends nuclear power be studied

- Four commenters spoke to the consideration of nuclear power. All opposed further study:
  - "Unrealistic in IRP timeframe." Time would be better spent studying CHP. (CWA)
  - Strongly opposed any consideration. (Sierra Club)
  - Nuclear power is not economically viable. (Fromer)
  - "Numerous challenges show little evidence of being overcome..." (Portland Clean Energy Task Force)

## Other Comments/Suggestions

- CEAB should model more stringent NOx standards. (Desai, Portland Clean Energy, Clean Water Action)
- Several calls for CEAB and/or DPUC to issue a proactive RFP. (NRG, Oxford, Towantic)
- Several commenters questions assumptions and processes related to transmission:
  - "continues to oppose inclusion of NEEWS" (NRG)
  - calls for a commitment to study non-transmission alternatives (ENE)
  - concerned that conclusions are based on "massive" build-out of transmission. (Towantic)
  - Unlike transmission and generations solutions, conservation is "not under consideration in a meaningful and organized way" (CAOPLC)
- CEAB should be including natural gas and other unregulated fuels in an energy plan (as directed by the legislature) not just an electric energy plan). (Desai, Portland Clean Energy Task Force, CWA)
- Several called for "rigorous" study and pursuit of CHP. (CWA, Sierra Club)
- Climate change is not real and no public funds should go towards reducing carbon. (Tavino)
- The state should have a "data" guru who can provide towns, businesses and residential customers with their usage so that their behavior will be influenced. (Cornwall Energy Task Force)
- One commenter expressed concern about the EDCs apparent conflict of interest regarding solar water heating. (Poulsen Hybrid)

## Section 3 – Summary of comments organized by entity/ person

The following summarizes some of the major points of the Written Comments.

### INDIVIDUALS

#### 1. Janak Desai

- a. “All cost-effective energy efficiency measures” should be fully funded.
- b. Support a build-out of regional wind to meet our RPS goals but ask that the CEAB also consider a modest in-state solar component.
- c. CEAB should make resource recommendations based on an assumption of stringent future DEP NOx standards.
- d. A rigorous assessment of a CHP ramp-up scenario.
- e. CEAB should, in the future, analyze natural gas, and unregulated delivered fuels. The authorizing statute charged CEAB with creating energy, not electricity plans.

#### 2. Kenny Foscue

- a. Suggested that State undertake an aggressive program to improve the energy efficiency of existing buildings.
- b. He stressed the money savings, job creation and environmental benefits of such an effort.

#### 3. Robert Fromer, Environmental and Public Interest Consultant

- a. Says the CEAB must articulate minimum and maximum Quality of Life and Quality of Living or the plan will be arbitrary and capricious.
- b. States that the Plan “failed to adequately and fully address the individual requirements of the CT General Statutes...” and says that the plan’s narrative is not tied to the statute.
- c. Says “...nuclear power is not an economically viable source of electric power...”
- d. Believes the availability of natural gas is being over stated and it an unaddressed point of weakness.

#### 4. Harsh Luthra

- a. Would like the State to simplify and streamline the renewables application and inspection process; would like to remove fees and offer tax credits.
- b. States that solar projects are not happening because of onerous and dated processes.

#### 5. Pete Tavino

- a. Believes the negative impacts of CO2 have been disproven and no public monies should be used to reduce CO2.

#### 6. Bristol Resource Recovery Facility Operating Committee (BRRFOC)

- a. Concerned that the IRP does not fully acknowledge the multiple benefits of solid waste energy facilities and seems to undervalue the Class II Renewable Energy Credits attributable to such facilities.
- b. Believes support for existing waste-to-energy facilities is very much in the state's interest and should be reflected in the IRP.

## 7. Clean Water Action (CWA)

- a. CEAB should recommend all cost-effective DSM
- b. Supports regional wind projects but would like a modest in-state program to take advantage of CT abundant solar resources. Asks CEAB to assume stringent future DEP NOx standards.
- c. Calls for rigorous CHP assessment.
- d. “Nuclear if unrealistic in IRP timeframe.” Thinks CEAB’s efforts would be better put to CHP, rather than nuclear.

## 8. Citizens Against Overhead Power Line Construction (CAOPLC)

- a. Submit its brief to the CSC on the GSRP transmission line, docket 370 which they say provides the citizens' point of view.
- b. The brief outlines a number of failings in how transmission projects are evaluated, sited and constructed.
- c. Believes conservation should be studied as carefully as transmission and generation. Says that the CSC or DPUC do not embrace conservation as an alternative and low cost first option to new transmission or generation projects and CAOPLC would like that to change.

## 9. Connecticut Center for Advanced Technology (CCAT)

- a. Refutes statements in Sec. 3-G of EDCs’ IRP that emissions from the fuel cells are similar to that of conventional natural gas and offer no environmental benefit.
- b. Urges CEAB to consider the economic development aspects of fuel cells.

## 10. Connecticut Clean Energy Fund (CCEF)

- a. Says it thinks this IRP is a “substantial advancement from the prior plan.”
- b. Actual supply of renewable energy “may be somewhat larger than the supply projected by the IRP.
- c. Believes there is more renewable supply than indicated in IRP – “assuming that near-term Connecticut Class 1 RPS demand is not withdrawn from the regional market.”
- d. Questions the inputs for the Vermont RPS saying it is a goal not a requirement.
- e. Believes the cost of less mature renewable resources will decrease over time and thinks that could impact in-state resources and optimal CT policy.

## 11. Connecticut Fund for the Environment (CFE)

- a. Supports DSM, though wants the All Achievable Plan.
- b. Supports developing reasonable renewable in the state. Would like to aim for solar PV of 250MW and 40 MW of wind power.
- c. Calls for CEAB expand its mission and analyze natural gas as well. States that the authorizing statute charged CEAB with creating energy, not electricity, plans. “The fewer the silos the better the outcome...”

## 12. Cornwall Energy Task Force

- a. Suggests the State hire a data guru who can keep the residential, municipal and business data current and accessible to the public for baseline use.
- b. Points to the success in Cornwall to demonstrate the effectiveness of providing people with a secure and effective tool for measuring energy use and improvements.

## 13. Environmental Entrepreneurs (E2)

- a. Urges CEAB to adopt the “All Cost Effective” approach to energy efficiency.

#### 14. Environment Northeast (ENE)

- a. Does not think “Target DSM Expansion” is consistent with statute.
- b. Notes that the All Cost-Effective strategy is the lowest cost option compared with all other scenarios.
- c. Says the statute mandates the purchase of all cost-effective efficiency.
- d. CEAB and DPUC should support a requirement that the utilities increase funding to support the All Cost-Effective strategy.
- e. Points out the added benefits of job creation and positive environmental impact.
- f. Agrees that RPS should be met with a regional approach but should maximize in-state resources within reasonable cost parameters.
- g. Calls for an explicit commitment to fund non-transmission alternatives that meet reliability requirements and environmental goals.

#### 15. New England Clean Energy Council (NECEC)

- a. Calls for All Cost-Effective DSM saying the \$187m investment is worth the \$400m savings, will create jobs and benefit the environment.

#### 16. Northeast Energy Efficiency Council – CT Chapter (NEEC-CT)

- a. Urges CEAB to implement the All Cost-Effective Strategy “in order to meet the requirements of PA 07-242 and bring economic, environmental and job benefits of doing so to the state.”

#### 17. Northeast Energy Efficiency Partnerships (NEEP)

- a. States that Targeted Expansion DSM case “falls short of the spirit of this legislative mandate.”
- b. Advocates for “ramp up investments in energy efficiency sooner than later,” as is suggested in the IRP.
- c. Disagrees with DPUC ruling that all achievable energy efficiency “not be pursued unless it is demonstrated that there is system capacity need.”
- d. States that the suggestion that increased to SBC would be needed to fund expanding DSM. “Neighboring state have found creative ways to pool resources and raise additional funds...” References MA’s Energy Efficiency Resource Fund and the possibility of including program costs in rate base.
- e. Challenges the idea that the All Achievable scenario would increase costs for non-participants. Points to impact scenarios such as MA under the Green Communities Act. “...the essential conclusion was that any rate impacts would be nominal compared to the significant savings realized...”
- f. In addition to All Achievable, urges “Strong energy code training and enforcement, automatic update to match national model energy codes...”
- g. Refutes claim on page 2-21 of IRP “that appliance standards are set by the federal government and cannot be set at the state level.”

#### 18. NRG

- a. CEAB should recommend to the DPUC that it “issue in 2010 a competitive procurement for in-state resources that would replace existing capacity and produce net economic and environmental benefits for Connecticut consumers.”
- b. The time to act is now when there is a surplus and existing units can be “shut down in a systematic and orderly fashion.”
- c. “...continues to oppose inclusion of the NEEWS import capacity and the Lake Road generation in the resource adequacy analyses because it contravenes” the statute calling for a comparative analysis of transmission and NTA projects.
- d. Repowering decisions should be made now as it will take time to implement.

**19. Town of Oxford**

- a. Notes concerns IRP raised about uncertainties related to renewables.
- b. Says Towantic is fully permitted and ready to construct.
- c. Recommends the CEAB encourage the DPUC to issue a proactive RFP that would result in a long term Power Provisioning Agreement that would specify procurement of clean, efficient, lower cost and reduced emissions NGCC generation that would replace the least efficient legacy generators serving the SWCT load pocket.

**20. PACE (People's Action for Clean Energy, Inc.)**

- a. Calls for investment in ALL cost-effective energy efficiency measures as required by state law.
- b. Says Connecticut must meet all federal ozone standards and NOx from all power plants must be lessened.
- c. Believes wind and solar power should have the highest priority because the fuel costs are so low and it is what CT people want.

**21. Plumbers and Pipefitters Local 777**

- a. Hope State will aggressively pursue regional and in-state renewable resources.
- b. Concerned that plan did not mention solar thermal.

**22. Portland Clean Energy Task Force**

- a. Supports all cost effective energy efficiency measures.
- b. Supports renewable energy, as much as possible installations to be located in Connecticut itself.
- c. Call for making standards for nitrogen oxides as tight as possible.
- d. Believes that the IRP paints a "rosy picture" and that the whole nuclear section should be struck from the report and replacing it with, " Since nuclear power's numerous challenges show little evidence of being overcome, expanding CT's nuclear facilities is not an option."
- e. Suggest CEAB expanding its authority to regulate energy efficiency for all fuels.

**23. Poulsen Hybrid**

- a. Concerned that the Plan does not mention solar thermal technology.
- b. Suggests incentives and financing assistance be offered to electric and gas water heating customers as part of the "all cost effective" efficiency programs.
- c. Concerned about apparent conflict that the EDCs have since they market electric water heating.

**24. Sierra Club**

- a. Concerned that the IRP emphasizes support for out-of-state renewable sources; believes plan should more strongly recommend funding for in-state sources.
- b. Wants the Plan to contain enhanced recommendations for smaller CHP opportunities.
- c. Agrees with the Plan's view that for accelerated retirement of older, inefficient, fossil fuel generation.
- d. Recommends full funding for the "all cost-effective DSM" scenario.
- e. Sierra is strongly opposed to *any* consideration of nuclear power. They list reasons for their opposition.

**25. Towantic Energy**

- a. EDCs' IRP
  - i. Calls into questions the assumptions that resulted is a recommendation that new generation is not needed.
  - ii. States that the EDCs modeling shows the best way to reduce costs is to add 1,200 MW of new natural gas-fired combined cycle generation.
  - iii. IRP conclusions are based on a "massive buildout" of transmission.
- b. NU Whitepaper
  - i. Challenges the idea that repowering is preferable to new generations, such as Towantic.
  - ii. Urges CEAB to issue a proactive RFP.

## 26. Water Energy Distributors

- a. Advocate for geothermal heat pump as a renewable resource.

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