

Procurement Plan:

Status Report  
Planning Process

## ***Procurement Plan – Discussion Topics***

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- **Status Report**

- Synopsis of Public Comment Process
- Preliminary Assessment of Key Issues
- Draft Status Report for CEAB Approval in Board Package

- **Planning Process**

- Recommendation of Scope of Work, Approach, Schedule
- Draft Planning Process for CEAB Approval in Board Package

## ***Review of Procurement Plan Process To Date***

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- January 1:** Utilities file “*IRP for Connecticut*” (Plan)
- January 4:** Utilities presentation of the Plan to CEAB
- January 11:** CEAB Issued Request for Public Comment
- January 28:** La Capra Preliminary Assessment Report
- February 1:** **CEAB Monthly Meeting**
- February 7:** Written Public Comments Received
- February 8:** Utilities’ letter offering to assist CEAB
- February 11:** CEAB Public Hearing
- February 22:** ASWG Conference Call
- February 29:** **Status Report Draft Issued**  
**Planning Process Draft Issued**

## **Synopsis of Public Comment**

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- **Written Comments**

- Twenty sets of written comments from organizations
- Over forty emails from individuals

- **Comments at Public Hearing**

- Over a dozen speakers from commenting organizations
- Brattle Group, the Companies' consultant
- Transcripts prepared

## **Recommendation 1: Maximize DSM**

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- **Summary of Comments**

- ECMB and many others strongly support
- Most individual emails addressed this point
- Several comments expressing concerns on feasibility, cost, and reliability

- **Observations:**

- Recommendation is consistent with Sect 51(c) emphasis
- The Plan uses best available information to assess this goal
- Further work needed on implementation and integration

## ***Recommendation 2: Explore Long Term Contracts***

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- **Summary of Comments**

- Several cautionary comments on L-T contracts
- Several recommendations for further inquiry
- Comments on the value for Renewable projects

- **Observations:**

- The Plan is not offered as a Procurement Plan
- This area warrants attention; clearly requires further work

## **Recommendation 3: Evaluate RPS Structure**

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- **Summary of Comments**

- Several comments differed with the Plan's renewables analysis
- Several noted the lack of a CT potential assessment
- CCEF analysis points to several omissions

- **Observations:**

- The Plan would benefit from added information
- More investigation of compliance with current RPS is useful
- This area warrants attention; clearly requires further work

## **Recommendation 4: NG Exposure Mitigation**

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- **Summary of Comments**

- Some note that DSM and renewables would meet this need
- AG proposes a refund mechanism
- Some note that permitting and siting improvements are key

- **Observations:**

- The issue is complex and interconnected with other issues
- This area warrants attention; clearly requires further work

## ***Other Key Issues Addressed in the Status Report***

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- **Overall Statutory Compliance**
- **Transmission Analysis**
- **Assumptions Concerning Generation Retirements**
- **Availability and Advancements in Technology**
- **Return to Cost of Service**

## ***Process Proposal for 2008 and 2009 Plans***

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### ■ **Objectives**

1. A 2008 Plan containing recommendations for procurement actions needed in 2008
2. Address the Key Issues ID'ed in the review process
3. CEAB-Utilities collaboration with key stakeholder input
4. Provide the DPUC a well-considered Plan for 120 day review in 2008
5. Develop the Planning Process to expedite 2009 and future cycles of the process

## **Process Proposal - Scope**

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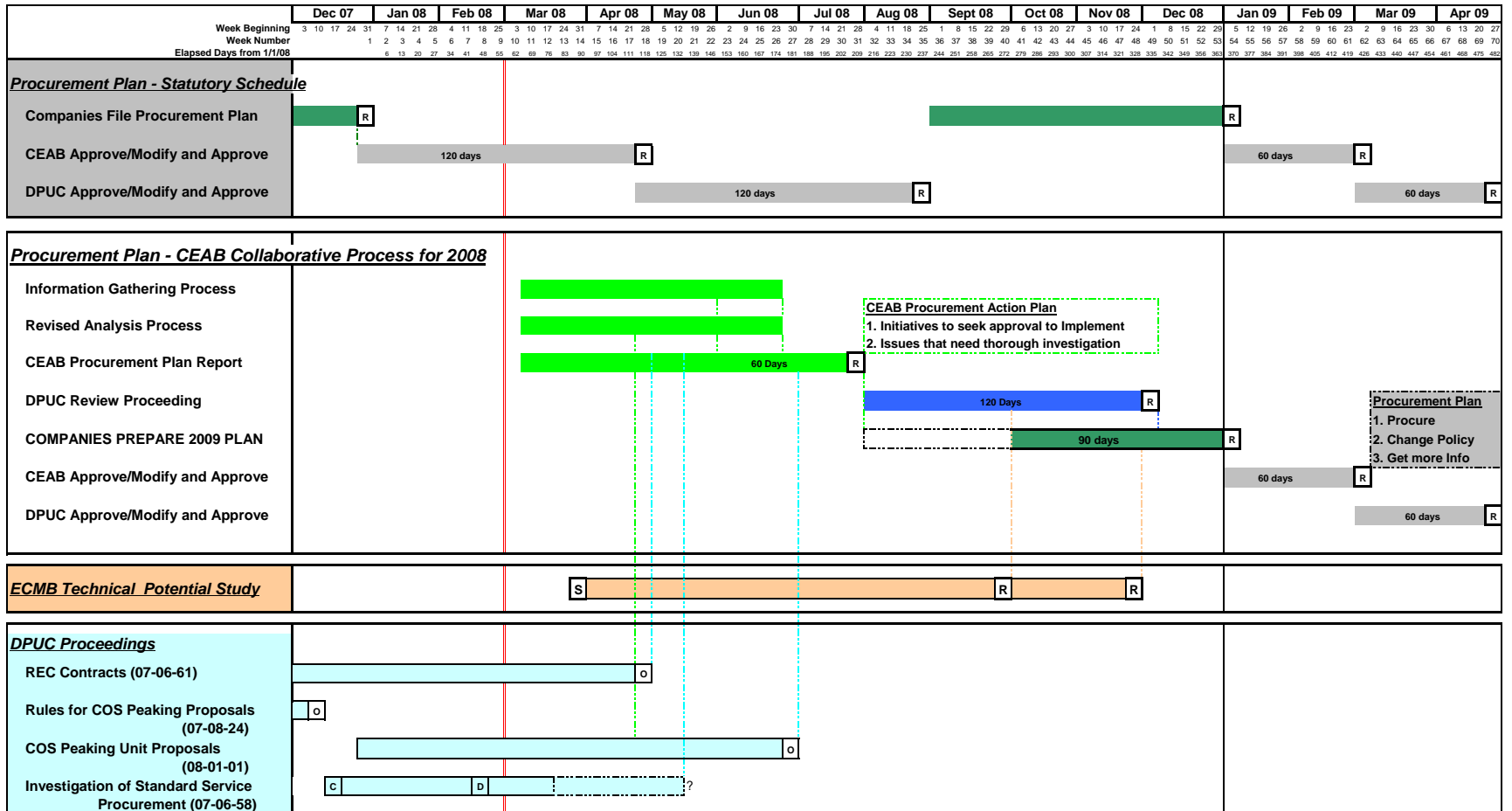
### **Action Plan Components**

- 1. Information Gathering:** focus on key areas:
  1. renewables assessment and CHP
  2. existing generation retirements and FCM
  3. Transmission needs
  4. Environmental Emissions performance/compliance
- 2. Further Analysis:** focus on retirements, emissions planning
- 3. Procurement Planning:** Action Plan for DPUC consideration
- 4. Scoping of Future Study:** Longer term study for 2009

## **Process Proposal - Schedule**

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- **Extend the CEAB Approval to August 1, 2008**
  - Requirement to Modify and Approve by April 30, 2008
  - Statute does not authorize CEAB to reject the Plan
  
- **DPUC 120 Day Review by Dec 1, 2008**
  - Allows review process to be completed in 2008
  - Affords the utilities limited opportunity to incorporate input from the DPUC process into 1/1/09 Plan



## ***Process Proposal – Collaboration Process***

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- **CEAB and Utilities Collaboration**

- Goal to address Key Issues Jointly, to the extent possible
- Ultimately, August 1, 2008 Plan will be a CEAB Plan

- **Key Stakeholder Input**

- Several stakeholders have offered to assist through comments
- Many of these have key information and input needed
- Workshops targeted to stakeholders that have important information will be conducted to assure this input is captured for consideration in the Plan

## **Process Proposal – Coordination Matters**

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### ■ **DPUC Proceedings**

- REC Contract Proceeding – decision scheduled April 30
- Standard Service Procurement – report pending
- COS Peaking Generation – proposals March 1, selection by July 1

### ■ **ECMB Achievable Potential Study**

- Consultants to be selected in March
- Planned Scope calls for reports after August 1
- Limited new info for 2008 Plan, perhaps 2009 Plan

## **Process Proposal – 2009 Plan**

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- **Annual filing Due 1/1/09**

- This proposal presumes a 1/1/09 filing
- Completes DPUC process by 12/1/09
- Timing is necessarily imperfect - compresses Companies' time with the DPUC final decision before 2009 plan is due

- **Considerations**

- 2008 Collaborative Process will inform 2009 Plan
- August 1 Report will have a 2009 To Do list
- Work will need to parallel DPUC review process