



**Northeast
Utilities System**

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Lisa J. Thibdaue
Vice President - Regulatory and
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August 31, 2007

Gretchen K. Deans
Director of Administration
The Connecticut Economic Resource Center, Inc.
805 Brook St, Bldg 4
Rocky Hill, CT 06067

Dear Ms. Deans:

Enclosed please find Northeast Utilities' comments on the Connecticut Energy Advisory Board's Straw Proposal for reactive RFP exemption criteria, issued August 7, 2007.

We are also sending a hardcopy of this document today.

If you have any questions, please contact Chris Bernard at (860) 665-5967.

Very truly yours,

Lisa J. Thibdaue

LJT:nc

attachment

Response of Northeast Utilities to CEAB's Request for Comment on Reactive RFP Exemption Criteria

August 31, 2007

On August 7, 2007, the Connecticut Energy Advisory Board ("CEAB") issued a request for comment on a Straw Proposal suggesting criteria that CEAB may consider in deciding whether to exempt a project from a reactive request for proposal ("reactive RFP") pursuant to Section 54 of Public Act 07-242, An Act Concerning Electricity and Energy Efficiency ("the Act"). The notice also states that a public hearing will be held in September 2007, with adoption of criteria no later than December 1, 2007.

Northeast Utilities ("NU") is pleased to offer its comments to CEAB on a matter that is very important to its operations in Connecticut, in particular, to NU's electric distribution subsidiary, the Connecticut Light and Power Company ("CL&P"). CL&P regularly files applications to the Connecticut Siting Council for Certificates of Environmental Compatibility and Public Need ("applications") and the proposed criteria should enable some of CL&P's much needed projects to proceed without the delay associated with unproductive RFPs.

Ideally, NU would prefer CEAB's criteria for reactive RFP exemptions to be applied in a nondiscretionary manner to send the clearest signal to the market about the types of projects that should not trigger a reactive RFP, rather than as guidelines for consideration. However, NU supports the adoption of reactive RFP exemption criteria set forth in the Straw Proposal and suggests additional criteria consistent with the goal of not requiring a project to be subject to the reactive RFP process if it is the product of another regulatory process for developing or reviewing proposals for needed electric facilities, or where a reactive RFP is unlikely to produce meaningful alternatives. NU suggests the following criteria be added to the criteria in the Straw Proposal.

A reactive RFP exemption should be considered for project applications that are:

- included in a procurement plan approved by the DPUC pursuant to Section 52 of the Act;
- for peaking generation approved by the DPUC pursuant to Section 50 of the Act;
- included within a comprehensive plan for the procurement energy resources approved by the CEAB pursuant to Sections 51, 53, 62, and 63 of the Act;
- required to be constructed by any state law or regulatory order;
- included in the Regional System Plan promulgated by the Independent System Operator;
- determined by the Independent System Operator to be required to meet a regional system need;
- comprised of facilities located in part in Connecticut and in part in one or more other states, such that the parts of the facilities located in Connecticut do not, by themselves, solve a system need;
- subject to the approval of siting authorities in one or more states in addition to Connecticut.