
Chairman's Report

November 2, 2007

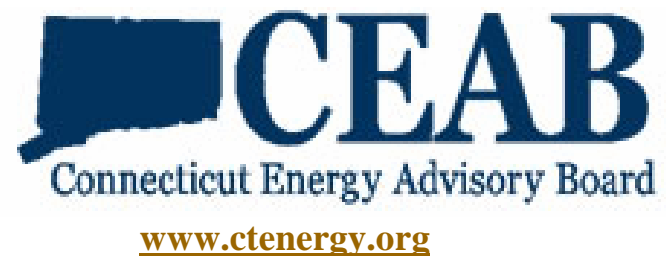


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Welcome New Members!

- Speaker's appointments made effective Oct 16th
 - Michael Cassella, Director of Energy Efficiency Services, CMEEC
 - A member of the public considered an expert in electricity, generation, procurement and conservation programs
 - Melissa Ozols, Policy Aide, House Democratic Caucus
 - Representing state residents in general having expertise in energy issues
 - Joel Gordes, Energy Consultant, Environmental Energy Solutions
 - Representing low-income ratepayers

Electric Conservation Programs Study

- Background
 - 07 energy bill requires CEAB to study and evaluate “efficiency, innovativeness and customer focus of electric conservation programs” in Connecticut
- Status
 - GDS contract approved
 - Project on schedule – see detailed schedule at Tab 4
 - Kick off organizational meeting held Oct 16th
 - Survey instrument developed, in consultation with ECMB’s consultant
 - Research underway

- Timeline



- Board Action Required
 - None

Annual Review OPM Strategic Plan

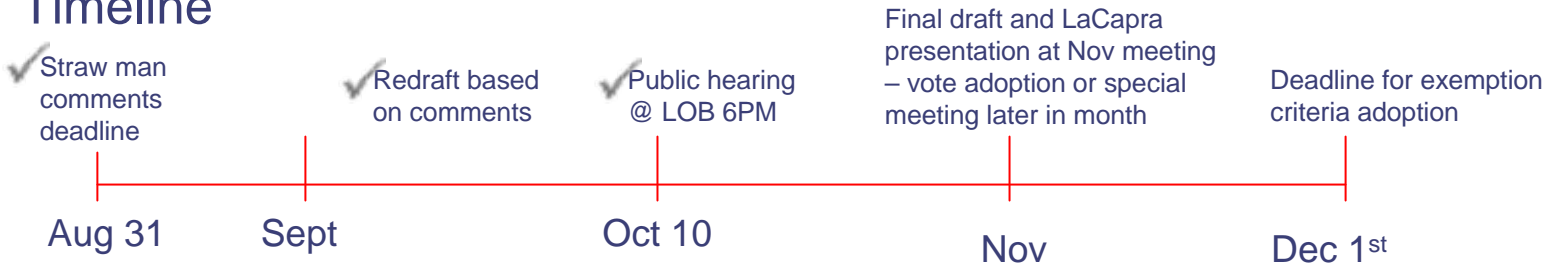
- Background
 - 2007 energy legislation requires Board to review OPM's annual Plan for Energy Management in State Facilities, measure success of the plan's implementation and determine societal benefits derived
 - Working group led by OCC (Borges-King) and DEP (Farrell) to work with LaCapra on this task
 - OPM recused itself from participation in Board review of Plan
- Status
 - LaCapra, ASWG and OPM discussions underway and on schedule
 - Discussion of staff working group issues regarding authority to review and modify plan

- **Timeline**



- **Board Action Required**
 - None

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
 - Public hearing held Oct 10th at LOB
 - Mengacci, Downes, Hennessey, Sandler and Healey attended
 - Full transcript at Tab 5 and posted on CEAB website
 - LaCapra overview presentation today – see Tab 6
- Timeline
 

The timeline is a horizontal red line with vertical tick marks at specific dates. Above the line, five milestones are marked with checkmarks and text:

 - ✓ Straw man comments deadline (Aug 31)
 - ✓ Redraft based on comments (Sept)
 - ✓ Public hearing @ LOB 6PM (Oct 10)
 - Final draft and LaCapra presentation at Nov meeting – vote adoption or special meeting later in month (Nov)
 - Deadline for exemption criteria adoption (Dec 1st)
- Board Action Required
 - Vote to adopt final criteria – see Tab 7

Report on Various Energy Issues

- **Background**

- By Jan 1 08, Board is required to conduct a study to develop recommendations on:
 - Coordinating and integrating the state's energy entities; and
 - Achieving the goals of RGGI and state efforts to reduce greenhouse gasses; and
 - Promoting indigenous alternative fuel resources
- Board approved a year-long process to allow for adequate analysis and stakeholder input

- **Status**

- RFP released Sept 6th, responses received Oct 4th
- Evaluation subcommittee included DEP, DPUC, OPM
- Four bids received, two bidders interviewed, recommendation today

- **Timeline**



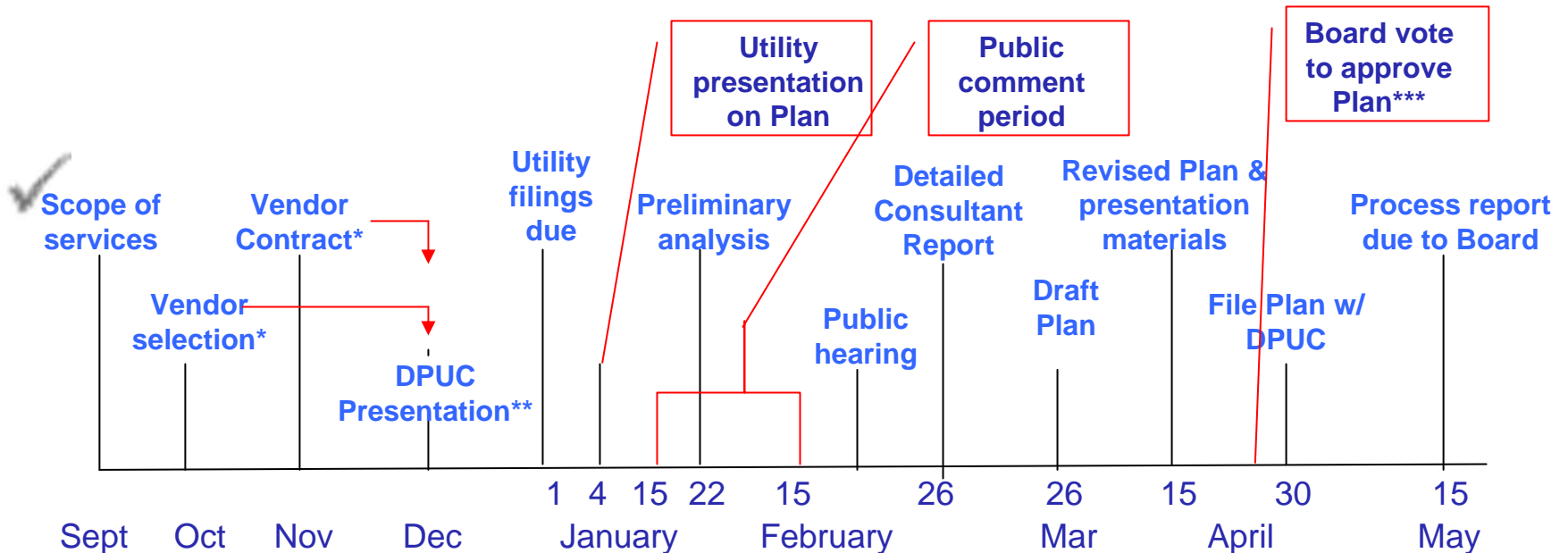
- **Board Action Required**

- Vote to approve selection of vendor and Chairman's ability to execute contract with vendor

Procurement Plan

- Background
 - 2007 energy legislation requires Board to review/modify and approve comprehensive resource procurement plan submitted by distribution companies
 - Plan must first meet resource needs through all available energy efficiency and demand reduction resources that are cost effective, reliable and feasible
- Status
 - Vendor selection schedule pushed out by 1-month
 - Bids due October 30th
 - Board review committee to include CBIA, OPM, DEP, OCC
 - Recommendation at December meeting
 - Scheduled DPUC educational “refresher” presentation for Dec
 - Standard Offer/SOLR “procurement” process; and
 - Capacity contract needs analysis and planning process
- Timeline
 - See next slides for statutory and Board task timelines
- Board Action Required
 - None

Procurement Plan: Board Task Timeline

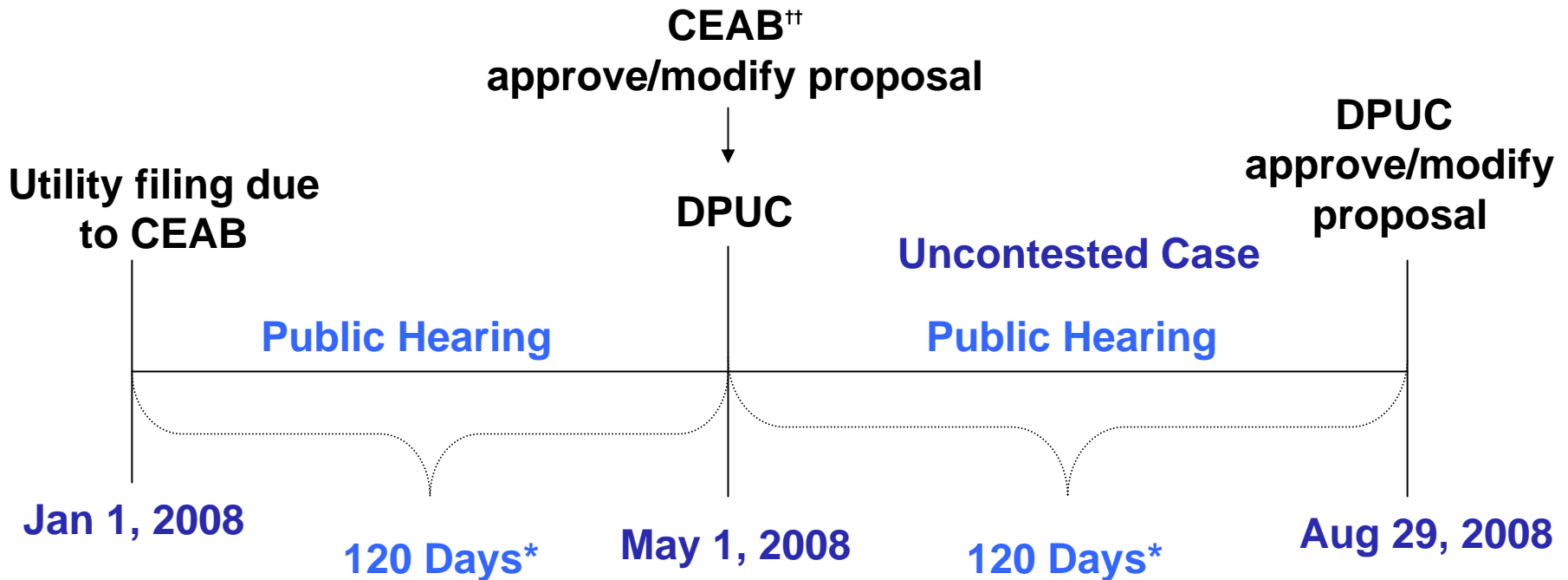


* Board can approve **both** selection of the vendor and contract in Dec, as long as motion specifies that OPM can enter into a contract based on work plan. Approach will eliminate need for teleconference in mid-Dec to approve contract

**DPUC “refresher” presentation on mechanics of current procurement process for Standard Offer/SOLR and capacity contracts

***Schedule may require teleconference vote for approval or special meeting week of Apr 21st

Procurement Plan: Statutory Timeline

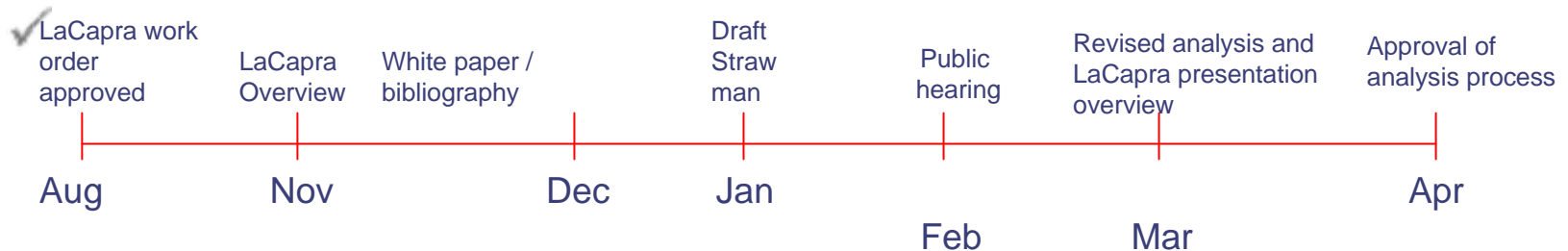


*Beginning calendar year 2009, CEAB and DPUC each have 60 days to approve/modify plan

^{††}DOT, DPUC and Agriculture shall not participate as members of the Board

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
 - ASWG/LaCapra discussion in September; more analysis needed
 - Whitepaper completion in Nov-Dec timeframe
 - LaCapra overview presentation today – see Tab 10
- **Timeline**



- **Board Action Required**
 - None

NEEWS

- **Background**

- New England East-West Solutions (NEEWS) transmission system upgrade comprised of multiple 345kV transmission line projects in southern New England
 - CEAB required to do “reactive” RFP; may do “proactive” RFP
- CEAB anticipates NU’s Siting Council filing in mid 2008, which will trigger reactive RFP

- **Status**

- Board released RFC on process CEAB should employ to identify alternatives to NEEWS
 - Comments received from all utilities and others
- Comments received generally did not support a proactive RFP approach
- Subset of Board and staff working group met with utilities to discuss comments
- Supplemental request for comments from UI, CMEEC, CL&P released
 - See all requests and comments on website at <http://www.ctenergy.org/NEEWSRFC.html>

- **Timeline**

- Chairman Mengacci meeting with ISO on Nov 7 to discuss SNETR (NEEWS) Needs Assessment, will report back to Board at Dec meeting
- ISO-NE to update Planning Advisory Committee (PAC) on NEEWS analysis on Nov 8th
 - Not an updated *needs assessment*, which is only one component of NEEWS analysis

- **Board Action Required**

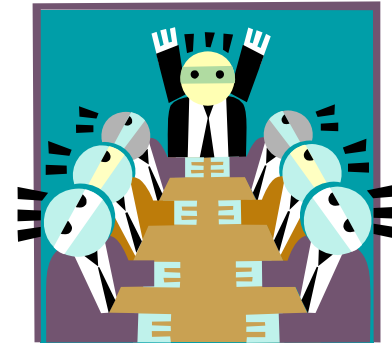
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Energy Security CSC Proceeding

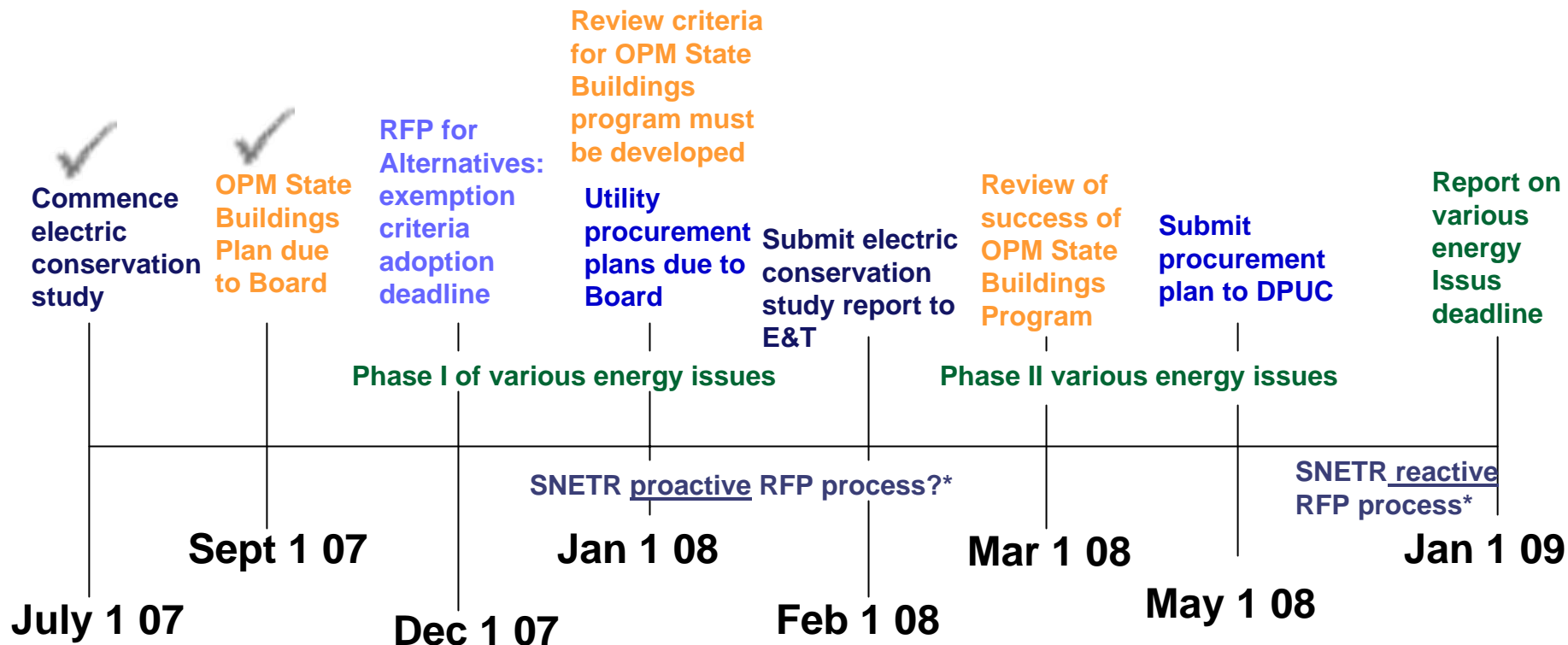
- Background
 - PA 07-242 §8 & 54 require Siting Council and DPUC in consultation with Homeland Security to investigate energy security and siting of electric generating and transmission facilities
 - Facilities deemed required for the reliability of electric supply to critical national defense and homeland security infrastructure shall be exempted from the [CEAB] RFP process
- Status
 - Comments for the Board's consideration circulated last Friday (Oct 26th)
 - Comments seek to:
 - Assist and cooperate with CSC and DPUC to ensure the reliability of critical infrastructure
 - Make recommendations on an analytical approach the CSC can apply
 - Provide background information associated with CEAB's RFP process to inform CSC analysis
- Timeline
 - Motion for Party status and initial comments due Oct 31st
 - Public hearing on Nov 7th
 - Decision by Dec 31st
- Board Action Required
 - None

Other Items

- 2008 meeting dates
 - See Tab 8
 - Vote for approval
- NU leaders briefing on Oct 25th
 - Company provided update on transmission projects, both underway and planned
- Discussion of staff working group composition and Board member attendance
- Other business?



Timeline of Tasks – Reference Slide



*NU anticipating July 08 Siting Council filing date for the Greater Springfield and Interstate portions of NEEWS (central CT portion anticipated filing)