



TOWN OF OXFORD

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January 25, 2010

CEAB
c/o Gretchen Deans
CERC
805 Brook Street, Bldg. 4
Rocky Hill, CT 06067

Re: Town of Oxford Comments re: "Integrated Resource Plan for Connecticut,
January 1, 2010"

Dear Ms. Deans

On June 23, 1999, Connecticut Siting Council issued a certificate to Towantic Energy LLC to build a 512MW natural gas fired combined cycle (NGCC) generation plant in the 290 acre town owned Woodruff Hill Industrial Park. Town land use commissions have granted permits and the project was approved by referendum.

Subsequent administrations have made every effort to preserve this valuable project for the State and ISO New England. The site was warehoused while the town supported transfer of ownership from Calpine to GE Energy Financial Services. GE EFS has extended the CSC Certificate, maintained all relevant permits, developed the construction bid specification and selected a general contractor.

Towantic Energy LLC is the most technically advanced, fully permitted and construction ready project in the CSC portfolio of approved generation projects and has the potential to supply energy to SWCT load pocket while significantly reducing emissions and lowering electrical costs to Connecticut ratepayers.

After reviewing the current IRP, the ERG Repowering Whitepaper and the Governor's New England Power System Study 2030, the Town of Oxford continues to believe that the fully permitted and ready to construct Towantic Project has extraordinary value going forward.

Clearly, the IRP expresses concern regarding the ability of the New England State Governments to develop a coordinated strategic energy plan, identify sites and obtain permits to site 8000-12000MW of wind energy and build over 4,000 circuit miles of new transmission within the IRP planning horizon.

The IRP and the Governor's Report examined cases that considered replacement of legacy oil and coal fired generation and concluded that both emissions and ratepayer costs could be reduced if legacy generation could be replaced with new, highly efficient NGCC facilities operating at heat rates less than 7,000 Btu/kWh.

While the market collectively waits for the prerequisite components required to implement the renewable strategies proposed in the IRP, we feel that significant benefits could be realized in the near term by implementing a legacy generator retirement program that builds new, highly efficient NGCC facilities that reduce ratepayer costs and emissions.

The Town of Oxford would recommend that the CEAB encourage the DPUC to issue a proactive RFP that would result in a long term Power Provisioning Agreement (PPA) 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.

We believe that Towantic Energy LLC, which will produce energy at less than 6,900 Btu/kWh, should be invited to participate in this procurement and would have a high probability of winning approval if the selection criteria weighted cost reduction, emission reductions, time to build and degree of grid disruption as primary selection criteria.

Respectfully Submitted,

Herman Schuler
Economic Development Director
Town of Oxford

Cc: First Selectman, Mary Ann Drayton-Rogers