

**Regular Meeting of the
Connecticut Energy Advisory Board**

Meeting Minutes
July 20, 2005

1. Call to Order

The July monthly meeting of the Connecticut Energy Advisory Board (CEAB) was held on Monday, July 20, 2005 at 1:00 p.m. at the The Connecticut Economic Resource Center, Inc., 805 Brook Street, Building 4, Rocky Hill, Connecticut. Members present were Donald Downes, Chairman of the Department of Public Utility Control (DPUC); Mary Healey, Connecticut Consumer Counsel; Gina McCarthy, Commissioner of the Department of Environmental Protection; John Mengacci, designee of the Secretary of the Office of Policy and Management (OPM); James Sandler, partner in the Law Firm of Sandler & Mara (appointee of President Pro Tempore of the Senate); Kevin Nursick, designee of Commissioner of the Department of Transportation; and Dave Carey, designee of the Commissioner of the Department of Agriculture.

Chairman Downes opened the meeting for public comment. A member of the public, Robert Fromer, reviewed concepts presented in the book "The Long Emergency" dealing with the outlook for future energy matters and expressed his concern for what the outlook could mean for Connecticut. He recommended the book as a reference to the board. Chairman Downes thanked Mr. Fromer for his input.

2. Approval of Minutes

Minutes of the June 20, 2005 regular board meeting were approved by the board as presented.

3. Chairman's Report (including Participation in DPUC Proceedings)

Chairman Downes reported that the General Assembly in its special session did adopt the energy independence bill. DPUC is considering the provisions and implications of that bill. It calls for the DPUC to take actions before Local Installed Capacity (LICAP) policy is instituted in January 2006. There are provisions for DPUC to issue a RFP before February 1, 2006 for longer term actions to mitigate LICAP's impact as well as specifying a more expedited process to mitigate the impact of LICAP in the near term.

CEAB's consultants, as part of their scope of work, have been analyzing the impact of federally mandated congestion charges (FMCC) and LICAP. Chairman Downes stated DPUC strategy will involve DPUC and CEAB working in tandem on the both the short and long term actions designated in the legislation.

DPUC requests that CEAB appear in dockets to be opened in the near future to identify and assess what needs pre-January action in light of LICAP. CEAB is to file its assessment on pre-January actions with DPUC by August 18, 2005. In the November to December 2005 timeframe, CEAB is asked to file a more formal analysis.

Vice Chairman Healey noted that CEAB, through its consultants, has been involved with the Connecticut Siting Council's forecasting process. Similarly the board will participate in DPUC's processes going forward. LaCapra will present a draft of the short term assessment to the CEAB's RFP committee and then it will go to the board at large for comment and review. The proposed timing for review would get the final analysis filed with DPUC by August 19. All parties will have the opportunity to comment on CEAB's submittal as part of the DPUC docket.

Chairman Downes stated that risk avoidance is the major driver for the short term. Temporary/quick generation and demand response are low risk and will produce benefits with or without LICAP.

4. Participation in Siting Council Proceedings

As provided for in CEAB's legislative mandate, it is required to participate in the annual forecasting process for Connecticut. CEAB has submitted a number of interrogatories focusing on supply and demand forecasts from various parties, Ms. Healy reported.

CEAB participated through its consultants at the Siting Council's public hearing on August 14th and put forth a number of questions to various parties. The hearing concluded before all parties were heard so another session will take place late in August. Input from the Independent Service Operator for New England (ISO-NE) will be of particular importance to the Siting Council's forecasting process.

Chairman Downes noted that ISO's regional service plan (RSP) is to be filed with the New England Power Pool (NEPOOL) on or about August 1, 2005. Gordon van Welie of ISO has offered to come to Connecticut to discuss with relevant parties the implications of the RSP and the chairman sees a benefit in getting DPUC and CEAB together with ISO to do this.

In response to an inquiry from Mr. Mengacci, Ms. Healey reported that the Siting Council's draft forecast is out now and the final plan is due on October 14.

5. 2006 Energy Plan

Mr. Mengacci reported that paperwork necessary to have the Institute for Sustainable Energy participate in preparing the 2006 energy plan is nearing completion. Also the request for proposal (RFP) for CEAB administrative support for 2006 has been drafted and Mr. Mengacci will circulate it directly to board members. The timeline is to issue the RFP the first of August, get responses early in September, and complete any interviews necessary by the first of October.

Mr. Mengacci asked William Leahy of ISE to walk through the approach being proposed for finalizing the energy plan. Mr. Leahy did so by reviewing the proposed energy plan pages for the board's new web site. The board was very supportive of both the web site pages and the proposed approach.

Mr. Leahy circulated a handout which designated nine initiatives derived from the numerous strategies listed in the 2004 and 2005 plans. The board discussed how to proceed in developing these initiatives into the final plan and which board members should be responsible for each initiative.

Commissioner McCarthy felt that goal setting was the biggest task in finalizing the board's energy plan and the goals should not be prioritized until the potential impact of each goal is determined.

Mr. Mengacci suggested that three workshops be scheduled to look at the proposed objectives with similar objectives being grouped for discussion at each session. Mr. Leahy suggested that board members with vested interests in particular goals can lead discussion on relevant goals.

Commissioner McCarthy suggested focusing on goals, objectives and measurable outcomes at the workshops.

Mr. Mengacci said he would organize workshops and follow up over the next 45 days to stay on schedule with the energy plan.

Chairman Downes suggested that the workshops be roundtables bringing champions and interested parties forward so the board can develop a cohesive plan for the state.

Mr. Mengacci suggested getting information out to the public on the workshops in a manner similar to what is used for its energy plan hearings.

6. Other Business

Chairman Downes reviewed the plan for finalizing the board's short term analysis to be submitted to DPUC by August 19. The RFP subgroup (D. Downes, M. Healey, J. Sandler and DEP representatives) will review the consultant's report prior to forwarding it to the full board. Chairman Downes suggested moving the August meeting to August 16th and getting the analysis to the full board by August 12th for review prior to the meeting. The board concurred with this plan.

For scheduling workshops, Mr. Mengacci asked board members to let him know what days they are totally unavailable and days which work best for them for these sessions.

7. Adjournment

There being no further business to come before the board, the meeting was adjourned at 3:00 p.m.

Submitted by: Gretchen Deans

Approved by: CEAB August 30, 2005