



STATE OF CONNECTICUT  
**NEWS RELEASE**

Consumer Counsel Elin Swanson Katz

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**CONSUMER COUNSEL WINS SUPERIOR COURT CASE REGARDING PAYMENTS  
TO THE WATERSIDE POWER PLANT, SAVING MONEY FOR CONNECTICUT  
ELECTRIC CUSTOMERS**

(June 17, 2013-New Britain) - In a case that saves significant sums for Connecticut electric customers, Consumer Counsel Elin Swanson Katz and the Office of Consumer Counsel (OCC) received a favorable ruling dated June 11, 2013 from the New Britain Superior Court in Waterside Power LLC v. Department of Energy and Environmental Protection. The case involved Waterside Power LLC (Waterside), owner of a power plant in Stamford, and a dispute over the amount of payments Waterside would receive under a 2007 contract to provide power to Connecticut residents. The OCC successfully argued that the correct interpretation of the contract's terms required electric customers to pay a lower rate than sought by Waterside. Should OCC continue to succeed in this matter and similar matters affecting two other power plants in Connecticut, ratepayers will save millions of dollars.

Consumer Counsel Katz stated, "The electricity markets are incredibly complex. Electric customers need an advocate who can push for their interests and who understands the intricacies of the market rules. In this case, I am pleased that the judge supported our argument in a very technical contract case that significantly impacts what customers pay. This case saves over a million dollars for them, and if we prevail in two similar cases, many more millions will be saved."

The 2007 contract at issue is between Waterside and The Connecticut Light & Power Company (CL&P). The former Department of Public Utility Control (DPUC), now known as the Public Utilities Regulatory Authority (PURA) within the Department of Energy and Environmental Protection, approved the contract in a proceeding pursuant to a 2005 Connecticut statute. The contract is designed as a hedge against the volatility of the regional Forward Capacity Market (FCM) operated by ISO New England, Inc. (ISO-NE), and led to the development of the power plant.

At issue were technical terms of the contract that referenced an ISO-NE "tariff," or set of market rules. OCC and its co-defendants, PURA and CL&P, argued that a certain term, the "Capacity Clearing Price," was equal to the pre-announced floor price in the FCM. The plaintiff, Waterside, argued that a lower price, reflecting the actual payment rate to the power plants from the FCM, was the "Capacity Clearing Price." Since the contract hedges the FCM, Waterside's interpretation would lead to higher payments to

Waterside from Connecticut ratepayers. The Superior Court sided with the interpretation offered by OCC, PURA, and CL&P.

OCC appreciates the diligent and effective work of counsel of co-defendants, PURA and CL&P, in the joint effort to achieve this result.

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*The Office of Consumer Counsel (OCC) is the State of Connecticut's advocate for all utility ratepayers. OCC seeks to ensure just and reasonable rates and reliable utility service for customers of Connecticut's electric, gas, telephone, and water utilities and reasonable protection for cable television customers. For more information, visit [www.ct.gov/occ](http://www.ct.gov/occ).*