

PHILIP M. SMALL direct dial: (860) 509-6575 fax: (860) 509-6675 psmall@brownrudnick.com

January 20, 2015

185 Asylum Street Hartford Connecticut 06103 tel 860.509.6500 fax 860.509.6501

VIA HAND-DELIVERY AND ELECTRONIC MAIL

Mr. Robert Stein, Chairman Connecticut Siting Council Ten Franklin Square New Britain, CT 06051

RE: Docket No. 192B—Towantic Energy, LLC Motion to Reopen and Modify the June 23, 1999 Certificate of Environmental Compatibility and Public Need Based on Changed Conditions Pursuant to Connecticut General Statutes §4-181a(b) for the Construction, Maintenance and Operation of a 785 MW Dual-Fuel Combined Cycle Electric Generating Facility Located North of the Prokop Road and Towantic Hill Road Intersection in the Town of Oxford, Connecticut—*CPV Towantic, LLC's Updates to Responses to Q-CSC-12 and Q-CSC-29 (Set 3)*

Dear Chairman Stein:

Enclosed are an original and fifteen (15) copies of an attachment to the Response to Q-CSC-12, and a revised attachment to the Response to Q-CSC-29, which were filed yesterday. The revised attachment to Q-CSC-29 adds a 5 foot by 5 foot rip rap to Stormwater Renovation Area B.

Please contact Franca L. DeRosa, Esq. or me at (860) 509-6500 with any questions.

Very truly yours,

BROWN RUDNICK I

Philip M. Small

Counsel for CPV Towantic, LLC

PMS/jmb Enclosures cc: Service List

CERTIFICATE OF SERVICE

This is to certify that on this 20th day of February, 2015, the foregoing document was sent via electronic mail, and/or first class mail, to the persons on the attached service list.

By:

Philip M. Small



SERVICE LIST OF PARTIES AND INTERVENORS

Status	Status Holder	Representative
Granted	(name, address & phone number)	(name, address & phone number)
Applicant	CPV Towantic, L.L.C.	Franca L. DeRosa, Esq. Philip M. Small, Esq. Brown Rudnick LLP 185 Asylum Street Hartford, CT 06103 (860) 509-6500 (860) 509-6501 — fax fderosa@brownrudnick.com psmall@brownrudnick.com
Party	Jay Halpern 58 Jackson Cove Road Oxford, CT 06478 h: (203) 888-4976 zoarmonster@sbcglobal.net Peter Thomas 72 Towantic Hill Road Oxford, CT 06478 (203) 720-1536	
Intervenor	Town of Middlebury	Attorney Dana A. D'Angelo Law Offices of Dana D'Angelo, LLC 20 Woodside Avenue Middlebury, CT 06762 (203) 598-3336 (203) 598-7283 – fax Dangelo.middlebury@snet.net Stephen L. Savarese, Esq. 103 South Main Street Newtown, CT 06470 203-270-0077 attystephensavarese@gmail.com



Intervenor	The Connecticut Light and Power Company (CL&P)	Stephen Gibelli, Esq. Associate General Counsel The Connecticut Light and Power Company P.O. Box 270 Hartford, CT 06141-0270 (860) 665-5513 (860) 665-5504 –fax gibels@nu.com
		John R. Morissette Manager-Transmission Siting and Permitting The Connecticut Light and Power Company P.O. Box 270 Hartford, CT 06141-0270 (860) 665-2036 morisjr@nu.com
		Christopher R. Bernard Manager, Regulatory Policy (Transmission) The Connecticut Light and Power Company P.O. Box 270 Hartford, CT 06141-0270 (860) 665-5967 (860) 665-3314 – fax bernacr@nu.com
		Stella Pace, Senior Engineer The Connecticut Light and Power Company Transmission and Interconnection Dept. P.O. Box 270 Hartford, CT 06141-0270 (860) 665-3569 pacess@nu.com
		Jeffery D. Cochran Northeast Utilities Service Company 107 Selden Street Berlin, CT 06037 860-665-3548 cochrjd@nu.com
Party	Town of Oxford	Kevin W. Condon, Esq. Condon & Savitt PC P.O. Box 570 Ansonia, CT 06401 203-734-2511 condonsavitt@comcast.net
Party	Naugatuck Valley Chapter Trout Unlimited	Robert M. Perrella, Vice President TU Naugatuck/Pomperaug Valley Chapter 278 W. Purchase Road Southbury, CT 06488-1004 johnnytroutseed@charter.net



Intervenor	Town of Southbury The Pomperaug River Watershed Coalition	Ed Edelson First Selectman Town of Southbury 501 Main Street Southbury, CT 06488 (203) 262-0647 (203) 264-9762 – fax selectman@southbury-ct.gov Len DeJong, Executive Director Pomperaug River Watershed Coalition
		39 Sherman Hill Road, C103 Woodbury, CT 06798 203-263-0076 LDeJong@pomperaug.org
Intervenor (approved 06/07/06)	Raymond Pietrorazio 764 Charcoal Avenue Middlebury, CT 06762-1311 (203) 758-2413 (203) 758-9519 – fax ray@ctcombustion.com	
Intervenor (approved 10/10/06)	GE Energy Financial Services, Inc.	Jay F. Malcynsky The Law Offices of Jay F. Malcynsky, P.C. One Liberty Square New Britain, CT 06051 (860) 229-0301 (860) 225-4627 – fax <u>Jmalcynsky@gaffneybennett.com</u>
Intervenor (Approved 11/13/14)	Borough of Naugatuck and Borough of Naugatuck Water Pollution Control Authority	Edward G. Fitzpatrick, Esq. Alicia K. Perillo, Esq. Fitzpatrick, Mariano, Santos, Sousa, PC 203 Church Street Naugatuck, CT 06770 203-729-4555 Fitz@fmslaw.org Alicia@fmslaw.org Ronald Merancy, Chairman Water Pollution Control Authority 229 Church Street Naugatuck, CT 06770 203-720-7000 Rjm62159@aol.com
Intervenor (Approved 1/8/15)	Wayne McCormack 593 Putting Green Lane Oxford, CT 06478 wayne@waynemccormack.com	



Intervenor (Approved 1/8/15)	Naugatuck River Revival Group, Inc.	Kevin R. Zak, President Naugatuck River Revival Group, Inc. 132 Radnor Avenue Naugatuck, CT 06770 203-530-7850 kznrrg@sbcglobal.net
Intervenor (Approved 1/8/15)	Westover Hills Subdivision Homeowners	Chester Cornacchia Westover Hills Subdivision Homeowners 53 Graham Ridge Road Naugatuck, CT 06770 203-206-9927 cc@necsonline.com
Intervenor (Approved 1/8/15)	Westover School	Kate J. Truini Alice Hallaran Westover School 1237 Whittemore Road Middlebury, CT 06762 203-758-2423 ktruini@westoverschool.org ahallaran@westoverschool.org
Intervenor (Approved 1/8/15)	Greenfields, LLC and Marian Larkin	Edward S. Hill, Esq. Cappalli & Hill, LLC 325 Highland Avenue Cheshire, CT 06410 203-272-2607 ehill@cappallihill.com
Intervenor (Approved 1/8/15)	Lake Quassapaug Association, LLC	Ingrid Manning, Vice President Lake Quassapaug Association, LLC P.O. Box 285 Middlebury, CT 06762 203-758-1692 Ingridmanning2@gmail.com
Intervenor (Approved 1/8/15)	Middlebury Land Trust, Inc.	W. Scott Peterson, M.D., President Middlebury Land Trust, Inc. 317 Tranquility Road Middlebury, CT 06762 203-574-2020 wsp@aya.yale.edu
Intervenor (Approved 1/15/15)	Quassy Amusement Park	George Frantzis Quassy Amusement Park P.O. Box 1107 Middlebury, CT 06762 203-758-2913 x108 George@quassy.com



Intervenor (Approved 1/15/15)	Middlebury Bridle Land Association	Nancy Vaughan Middlebury Bridle Land Association 64 Sandy Hill Road Middlebury, CT 06762 203-598-0697 ndzijavaughan@gmail.com
Intervenor (Approved 1/15/15)	Dennis Kocyla 28 Benz Street Ansonia, CT 06401 203-736-7182 Dennis3141@yahoo.com	
Intervenor (Approved 1/15/15)	Naugatuck Valley Audubon Society	Sophie Zyla Jeff Ruhloff Carl Almonte Naugatuck Valley Audubon Society 17 Stoddard Place Beacon Falls, CT 06403 203-888-7945 NVASeditor@mail.com
Intervenor (Approved 1/15/15)	Oxford Flying Club	Burton L. Stevens Oxford Flying Club P.O. Box 371 Woodbury, CT 06798 203-236-5158 bstevens@snet.net

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CPV Towantic, LLC Docket No. 192B

Interrogatories CSC-3
Dated: 2/11/15
Q-CSC-12
Page 1 of 1

Witness: Andrew J. Bazinet

Question CSC-12:

What is the status of CPV Towantic's participation in the latest ISO-NE FCA? Was CPV Towantic selected in the auction, and if so, for how many megawatts of capacity?

Response:

CPV Towartic participated and was selected in ISO New England's ninth Forward Capacity Auction (FCA9) which began and ended on February 2, 2015. The auction cleared approximately 1,000 MW of new capacity, including the proposed CPV Towartic, LLC's Facility at 725 MW.



FOR IMMEDIATE RELEASE

Contact:

Ellen Foley (413) 535-4139 Marcia Blomberg (413) 540-4555 Lacey Girard (413) 540-4483

Annual Forward Capacity Market Auction Acquires Major New Generation Resources for 2018-2019

Auction attracts investment in new resources needed to address New England's resource shortage

Holyoke, MA—February 4, 2015—New England's annual auction to acquire the power system resources needed to meet future demand concluded Monday with sufficient resources for 2018-2019 in most of the region, but with a shortfall in Southeastern Massachusetts and Rhode Island. The auction, run by ISO New England Inc., concluded with more than 1,400 megawatts of new capacity that will help fill the gap resulting from recent and pending generator retirements.

The Forward Capacity Market (FCM) auction attracted significant competition, and three new power plants—two in Connecticut and one in Southeastern Massachusetts—won the obligation to build 1,060 megawatts (MW) of generation to serve the region's load. The auction also drew 367 MW of new demand-side resources. Clearing prices were higher than in previous auctions, reflecting the need for new resources to ensure a reliable supply of power in New England during the capacity commitment period running from June 1, 2018, through May 31, 2019. Most resources will receive a price of \$9.55 per kilowatt-month (kW-month). The region's need for new resources emerged in last year's auction when retirements totaling more than 3,000 MW led to a shortfall in the resources needed to meet demand in 2017-2018.

"The capacity market is working as designed. The price signals from last year's auction helped spur investment in new resources, including more than 1,000 megawatts of new generating capacity, which will help address the region's resource shortage and meet peak demand in 2018-2019," according to Gordon van Welie, president and CEO of ISO New England, the operator of the region's bulk power system and wholesale electricity markets. "Several significant FCM enhancements went into effect with this auction, including Pay-for-Performance incentives, a sloped demand curve, a seven-year price lock-in for new resources, and the ability to defer a capacity obligation for one year under extraordinary circumstances. These reforms are removing risks from the market and providing investors with the financial stability needed to build new resources in New England, and providing consumers with greater assurance that the region's power system will have sufficient capacity to keep the lights on, and that those resources will perform when called on."

For this, the ninth Forward Capacity Market auction, the region was divided into four zones: Connecticut (CT); Northeast Massachusetts/Greater Boston (NEMA/Boston); Rest of Pool (ROP); and a new zone, Southeast Massachusetts/Rhode Island (SEMA/RI). The ROP zone includes western and central Massachusetts, Vermont, New Hampshire, and Maine. The CT, NEMA/Boston and SEMA/RI zones were created based on transmission limitations that restrict the level of power that can be imported into each area, as well as local resource levels and needs.

Amount of capacity acquired region-wide for 2018-2019

Preliminary results indicate that the FCM auction concluded with about 34,695 MW of capacity acquired region-wide. The installed capacity requirement (ICR) for 2018-2019 is 34,189 MW; however, with the sloped demand curve now in place, the region can acquire more or less than the ICR, depending on reliability requirements and price. The auction began with 32,101 MW of existing resources, so new resources were needed to meet the 34,189 MW ICR. The auction started with 5,432 MW of new resources qualified to compete. In addition to the regional ICR, a local capacity requirement is set for each of the three import-constrained zones.



For several years, the region's capacity auctions all started—and concluded—with surplus capacity, resulting in relatively low capacity prices. However, before last year's auction, a large number of resources announced their intention to retire by June 1, 2017, including the 1,500-MW Brayton Point station in SEMA/RI. In total, nearly 3,400 MW of generation and demand-side resources will be retired by 2017. Altogether, that's more than 10% of the region's capacity. The retirements created a resource shortfall that drove up capacity prices in the February 2014 auction, sending the market signal that new resources were needed in New England. The resource shortage continued into this auction, with fewer existing resources available to meet the regional ICR. The price signal from the previous auction attracted a significant quantity of new resources to compete in this auction.

The total level of resources clearing the auction included 30,442 MW of generation, 1,449 MW of imports, and 2,803 MW of demand-side resources, which includes companies that have agreed to reduce their power consumption if needed during times of system stress, and energy-efficiency measures. The total 34,695 MW clearing the auction included 1,427 MW of new resources in New England, including a new 725-MW dual-fuel unit and two 45-MW units in CT, a new 190-MW peaking power plant in SEMA/RI, and 367 MW of new demand-side resources. The higher auction clearing price reflects the cost to build new generation in the region.

Clearing Prices for Connecticut, NEMA/Boston, Rest-of-Pool zones

This year's descending-clock auction opened at a starting price of \$17.73/kW-month. The auction concluded system-wide after three rounds of competitive bidding with a clearing price of \$9.55/kW-month, at the point on the demand curve where there were still sufficient resources to meet demand. The auction continued for one additional round for New York imports, closing at \$7.97/kW-month, and two additional rounds for New Brunswick imports, at a price of \$3.94/kW-month.

The \$9.55/kW-month clearing price will be paid in 2018-2019 to about 24,447 MW of new and existing capacity resources that cleared this auction in ROP, Connecticut and NEMA/Boston. New York imports totaling 1,028 MW will be paid \$7.97/kW-month, and 177 MW of New Brunswick imports will be paid \$3.94/kW-month. Another 771 MW of existing resources with multi-year supply obligations will be paid at rates set in previous auctions, while 1,287 MW of self-supply resources will not be paid through the FCM.

Prices for Southeast Massachusetts/Rhode Island zone

Even before the auction started, there were not enough new and existing resources, combined, to provide the capacity needed in the SEMA/RI zone in 2018-2019. In all, there were 7,241 MW (6,888 MW of existing and 353 MW of new resources) that qualified to provide the 7,479 MW needed to meet SEMA/RI local sourcing requirement in 2018-2019. Since all the resources that qualified, including the new resources, will be needed to help meet the local resource requirement in SEMA/RI, auction bidding never opened in that zone.

Administrative pricing rules were triggered because of SEMA/RI's inadequate supply. Under these rules, the 353 MW of new resources in the zone will receive the auction starting price of \$17.73/kW-month, while the 6,888 MW of existing resources in the zone will receive \$11.08/kW-month, which is based on the net cost to build a new resource. While the SEMA/RI zone is short about 238 MW of the 7,479 MW needed in 2018-2019, such resource shortfalls may be filled through periodic reconfiguration auctions held over the next three years.

The FCM administrative pricing rules balance the interests of consumers paying for capacity by building in price protections under conditions of scarcity, and the interests of resources providing capacity by paying a price that reflects the need to attract new resources and retain existing capacity.

Total wholesale market impact

A preliminary estimate of the total cost of the capacity market in New England in 2018–2019 is about \$4 billion; by comparison, the previous auction resulted in an estimated total capacity market cost of about \$3 billion for 2017-2018. Payments to resources for this auction's capacity commitment period will begin in 2018.



Major FCM redesign in effect for ninth capacity auction

The ISO has worked for several years with stakeholders to develop major reforms to the FCM design, including Pay-for-Performance; a sloped demand curve; a seven-year clearing price lock-in for new resources; and the ability to defer a capacity supply obligation for one year under extraordinary circumstances.

Resources that obtained a commitment to be available by clearing in this auction will be subject to the new Pay-for-Performance rules in 2018-2019. Under these rules, resources that under-perform during times of system stress will provide payments to resources that over-perform. Pay-for-Performance is designed to address serious challenges to the continued reliability of the New England power grid by providing incentives to resource owners to invest in their resources to ensure they can perform when dispatched.

The new sloped demand curve was applied to the Rest-of-Pool zone, replacing the vertical demand curve contained in the original FCM design resulting from the 2006 FCM regional settlement process. The sloped demand curve addresses the price volatility inherent with the previous auctions' vertical demand curve. The sloped demand curve will yield smaller swings in capacity prices when the region moves from conditions of excess supply to resource shortages. The new curve allows the region to procure a level of capacity resources within a range, based on price. The ISO is currently working with stakeholders on developing sloped demand curves for capacity zones; for this auction, vertical demand curves were in effect for the import-constrained zones.

New resources clearing in this auction can choose to lock in their capacity price for seven years, up from the previous five. The extension is intended to increase financial stability for new resources to better attract investment when needed.

Finally, a new resource can obtain a one-year deferral of capacity supply obligations and payments if the resource is needed for reliability, but cannot meet its initial operational date due to circumstances beyond the developer's control.

Forward Capacity Market auction basics

The annual FCM auction is held three years before each capacity commitment period to provide time for new resources to be developed. Capacity resources can include traditional power generation or demand-side resources such as load management and energy-efficiency measures. Resources that clear in the auction receive a monthly capacity payment in exchange for their commitment to provide power or curtail demand when called upon by the ISO. The capacity market is separate from the energy market, where resources compete on a daily basis to provide power, and are paid for the electricity they produce.

Next Steps

Finalized auction results will be included in a filing with the Federal Energy Regulatory Commission within the month. This filing will include resource-specific information.

ABOUT ISO NEW ENGLAND

Created in 1997, ISO New England is the independent, not-for-profit corporation responsible for the reliable operation of New England's electric power generation and transmission system, overseeing and ensuring the fair administration of the region's wholesale electricity markets, and managing comprehensive regional electric power planning.











CPV Towantic, LLC Docket No. 192B

Interrogatories CSC-3
Dated: 2/11/15
Q-CSC-29
Page 1 of 1

Witness: Curtis Jones

Question CSC-29:

What is being proposed to stabilize the inlet side of the storm drainage pipe for Stormwater Renovation Area B?

Response:

The two inlet pipe areas for Stormwater Renovation Area A are stabilized through the construction of riprap pads shown on Sheet C310 of the Site Plans. The sizing calculations for the two pads are shown in Appendix E of the Stormwater Management and Erosion Control Report.

A 5' x 5' riprap has been added to the inlet side of both outlet structures for Stormwater Renovation Areas A and B as shown on the attached Sheet C310 revised February 18, 2015.

