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April 7, 2009

VIA HAND DELIVERY

Mr. S. Derek Phelps
Executive Director
State of Connecticut
Connecticut Siting Council
10 Franklin Square
New Britain, CT 06051



Re:

Docket No. 370B: NRG Energy, Inc. Application Pursuant to C.G.S. § 16-50/(a)(3) for Consideration of a 530 MW Combined Cycle Generating Plant in Meriden, Connecticut

Dear Mr. Phelps:

On April 3, 2009, The Connecticut Light and Power Company ("CL&P") filed comments regarding the completeness review that was recently performed by the Connecticut Siting Council ("CSC" or "Council") with regard to the Application of NRG Energy, Inc. ("NRG") filed pursuant to Connecticut General Statutes ("C.G.S.") § 16-50/(a)(3) on March 19, 2009. CL&P urges the Council to find that the NRG application is incomplete and to dismiss it outright because the Meriden Project supposedly does not meet the same need that is stated in the CL&P Application for the Greater Springfield Reliability Project ("GSRP") and the Manchester to Meekville Junction Circuit Separation Project ("MMP"). CL&P Comments, pp. 6-7. NRG submits this letter to urge the Council to reject CL&P's recommendations and confirm that NRG's application is complete.

CL&P attempts to take a routine completeness review and convert it into a debate on the relative merits of the NRG and CL&P applications. In so doing, CL&P (1) fails to recognize that the "need" for the GSRP and MMP has not yet been determined in this proceeding, (2) mischaracterizes NRG's position on the law, and (3) does not give due regard to the interests of Connecticut ratepayers in the need and benefits analyses.

Murtha Cullina LLP | Attorneys at Law

Mr. S. Derek Phelps April 7, 2009 Page 2

The NRG application was filed pursuant to the Council's February 27, 2009 Memorandum in this consolidated proceeding, which directed NRG and GE Financial Services to file an application conforming to Regulations of Connecticut State Agencies ("R.C.S.A.") § 16-50/-2 in order for their projects to be considered as alternatives to the GSRP/MMP. Following NRG's filing of its application on March 19, 2009, the Council sent a March 26, 2009 letter to the undersigned, stating that NRG's application "substantially complies with the requirements of R.C.S.A. § 16-50/-2" The Council therefore placed this item on the agenda of its April 7, 2009 meeting under Docket No. 370B labeled as "Completeness Review." CL&P now urges the Council to use this completeness review as the means to eliminate NRG's Meriden Project as an alternative solution in this proceeding, thereby leaving the GSRP entirely without the competition encouraged by the CEAB's reactive request-for-proposal process.

As the Council is well aware, its review of the completeness of a certificate application is a routine administrative procedure in any certificate proceeding. It has not traditionally been used as a tool to evaluate the merits of an application, nor should it be employed in that fashion in this proceeding. Such an approach would be entirely at odds with the Legislature's intent, as stated in C.G.S. § 16-50p(a)(2)(F), that competing applications should be evaluated through a "consolidated hearing process." A hearing has not even been scheduled in this proceeding because it is still in its infancy.

Even if it were appropriate to consider the need issue in a completeness review, CL&P's comments rest on the flawed premise that the need stated in its application is somehow sacrosanct. The law is clear that a finding of "public need" is made by the Council pursuant to C.G.S. § 16-50p(a)(3)(A). A purported need is not automatically established as fact simply because it is stated in a certificate application. Additionally, the Connecticut Energy Advisory Board ("CEAB") properly noted in its February 17, 2009 Evaluation Report that ISO New England, Inc. plans to reassess the need for the GSRP and other parts of the New England East West Solution in light of lower-than-anticipated load growth and recent generation procurements by the Connecticut Department of Public Utility Control. Thus, NRG fails to comprehend how its Meriden Project could be deemed not to meet the need purportedly met by the GSRP when that need has not been finally determined.

CL&P also mischaracterizes NRG's position with regard to the statutory public need test. Contrary to CL&P's assertions, NRG does not claim that "the reliability problems in Massachusetts [are] irrelevant" and that "only the need for improvements that will benefit 'Connecticut residents' may be considered." CL&P Comments, p. 5. NRG acknowledges that the reliability of the broader regional electric grid may be pertinent to the public need test, but maintains that the Connecticut Legislature intended for the interests of the state's ratepayers to be an important consideration when evaluating competing solutions and selecting the "most appropriate alternative" pursuant to C.G.S. § 16-50p(a)(3)(F). Indeed, it is untenable to conclude otherwise.

Mr. S. Derek Phelps April 7, 2009 Page 3

Under the approach advanced by CL&P, however, the interests of Connecticut ratepayers are either absent from the public need/benefits tests or are secondary considerations at best.

If CL&P is so certain that the GSRP is a superior solution to the public need that will emerge in this proceeding, compared to the Meriden Project, then CL&P should not fear a process that is designed to test that conclusion in a public forum. If the Council accepts CL&P's recommendation and dismisses NRG's application outright, it will deprive state policymakers and ratepayers of the benefit of the comparative analysis mandated by the Legislature and set a poor precedent for future applications that could spawn alternative proposals that may be a better choice for ratepayers in Connecticut and the region at large. Rather than pursue that course, the Council should allow the NRG and CL&P applications to be evaluated on equal footing in this proceeding through a consolidated hearing process as contemplated by the Legislature.

Sincerely.

Andrew W. Lord

CC:

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