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UIL August 13, 2012

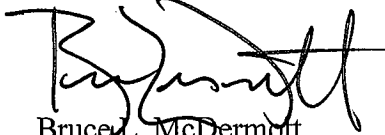
Robert Stein
Chairman
Connecticut Siting Council
Ten Franklin Square
New Britain, CT 06051

Re: Docket No. 424 - Interstate Reliability Project

Dear Chairman Stein:

I enclose an original and fifteen (15) copies of The United Illuminating Company's responses to the Connecticut Siting Council's pre-hearing interrogatories (CSC-001 through 006). If you have any questions about this filing, please do not hesitate to contact me at 203-499-2422.

Very truly yours,



Bruce L. McDermott
Managing Counsel – Operations
On Behalf of The United Illuminating Company

cc: Service List

Enclosures

Interrogatory CSC-001

The United Illuminating Company
Docket No. 424

Witness: Rich Peters
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Q-CSC-001: Does The United Illuminating Company (UI) intend to purchase a portion of CL&P's assets created in the Connecticut Portion of the Interstate Reliability Project, if approved?

A-CSC-001: Yes. The specific assets to be acquired are determined prior to transfer as described in section 3(o) of the "Agreement dated July 14, 2010 between CL&P and UI" that was filed with the Council on May 30, 2012 as CL&P Exhibit 21.

Interrogatory CSC-002

The United Illuminating Company
Docket No. 424

Witness: Rich Peters
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Q-CSC-002: If there is an intention to purchase a portion of the proposed project, please explain the rationale for determining the location of ownership of specific portions of the project.

A-CSC-002: The parties agreed that the NEEWS assets to be sold to UI should be as self-contained as possible making it easier to track the costs of the assets, account for capital replacements and future upgrades and allocate ongoing maintenance responsibility. Overhead line assets, comprising distinct units of property, are better candidates for inclusion than components such as substations which for the NEEWS Projects involve a mix of new and existing assets. To avoid unnecessary complications, unless otherwise mutually agreed, the parties also do not intend to share the use of structures. The parties further agreed that the specific group of overhead line assets to be considered should be selected in an impartial manner. This will prevent either CL&P or UI from somehow selecting a group of assets which it believes might have more value than another group. The impartial manner chosen is as described in Section 3(o) of the Agreement.

Interrogatory CSC-003

The United Illuminating Company
Docket No. 424

Witness: Rich Peters
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Q-CSC-003: Please explain the genesis for UI to purchase certain transmission assets attributed to the New England East-West Solutions transmission grid.

A-CSC-003: CL&P and UI each provide a safe, reliable, cost based transmission system to meet the needs of their customers and, working with each other and other electric utilities in New England, to provide region-wide transmission system that meets the needs of the entire New England region. CL&P and UI have facilitated the development and execution of projects by working cooperatively. This cooperative effort between CL&P and UI is consistent with their joint efforts on the Middletown to Norwalk Project and also is in furtherance of FERC's encouragement of such cooperative efforts. (Promoting Transmission Investment through Pricing Reform, Order No. 679-A, Docket No. RM06-4-001, December 22, 2006.) The decision of the companies to work cooperatively on the NEEWS project was based on the belief that UI's involvement in the project makes it possible for CL&P to draw on a deeper pool of resources to address key issues such as permitting, siting and system planning that will improve support for the project and improve the ability to address regulatory, siting, and permitting issues, in an efficient manner. These resources were effective during the Middletown to Norwalk Project. For both CL&P and UI, investing in reliability upgrades that benefit Connecticut and the New England region are part of their core business.

Interrogatory CSC-004

The United Illuminating Company
Docket No. 424

Witness: Rich Peters
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Q-CSC-004: Does UI own transmission assets outside of its service territory? If so, please identify.

A-CSC-004: Yes. UI owns transmission assets in the towns of Wallingford and Branford.

Interrogatory CSC-005

The United Illuminating Company
Docket No. 424

Witness: Rich Peters
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Q-CSC-005: How does ownership outside of UI's service territory affect franchise/service territory rights?

A-CSC-005: UI's ownership of assets outside of its service territory does not affect the franchise and/or service territory rights of UI. UI's Charter provides the needed authority for UI to own electric infrastructure outside of its service territory¹:

The United Illuminating Company, for the purposes of conducting and transmitting electricity and adapting the same to the use of its customers pursuant to the rights, powers and privileges granted to it under its charter and the amendments thereto and acquired by it by purchase or consolidation or merger, shall have the right, subject to any requisite approval of any town, city or borough or other public authority having jurisdiction, *to erect, lay, maintain and operate poles, towers, wires, conduits, cables, fixtures and other structures and apparatus of every kind, either overhead or underground, over or under any waters of this state and in, over, under and upon the public highways, streets and grounds in any town, city or borough within the state*; provided, however, that nothing herein contained shall be so construed as to enlarge or diminish the territory within which the company is franchised to sell electricity. [emphasis added]

¹ See *An Act Concerning a Grant of Authority to the City of New Haven and the Board of Park Commissioners of the City of New Haven to Grant Certain Perpetual Easements, Privileges and Rights of Way to The United Illuminating Company and an Amendment to the Charter of Said Company*, Special Act, 1963, Vol. XXXI, page 267.

Interrogatory CSC-006

The United Illuminating Company
Docket No. 424

Witness: Rich Peters
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Q-CSC-006: How does the proposed Interstate Reliability Project fit into transmission planning for UI's system? Specifically, would the proposed strengthening of Rhode Island's electric transmission system affect a long-term plan UI announced previously to build an underwater transmission line along the Northeast coast bringing New England off-shore wind resources into Connecticut?

A-CSC-006: The transmission planning for UI's system is significantly affected by the overall topology and capabilities of the broader regional system.

In 2008, together with the Connecticut Municipal Electric Energy Cooperative and the Massachusetts Municipal Wholesale Electric Company, UI requested that ISO-NE include analysis of the referenced underwater transmission line in the inaugural annual economic study performed pursuant to then-recent FERC-approved revisions to Attachment K of the regional Open Access Transmission Tariff. It should be noted that although the line might have enabled "off-shore wind resources" along its route, it was actually focused on sourcing a variety of renewable and low-carbon resources in eastern Canada (e.g. New Brunswick) and/or northern New England. Unfortunately, ISO-NE elected to perform a more general, region-wide study that incorporated aspects of several of the requests it had received. Detailed analysis of the suggested line has not subsequently progressed to a stage where one can determine the impact of the referenced strengthening of the Rhode Island system.