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March 13, 2007

VIA HAND DELIVERY

Daniel F. Caruso
Chairman
Connecticut Siting Council
Ten Franklin Square
New Britain, CT 06051

**RE: Ansonia Generation LLC's Petition for a Declaratory Ruling for an Electric
Generating Facility and Transmission Tap in Ansonia, Connecticut (the
"Petition")**

Dear Chairman Caruso:

On behalf of Ansonia Generation LLC ("AnGen"), enclosed are an original and twenty (20) copies of the above-captioned Petition. In the Petition, AnGen requests that the Connecticut Siting Council (the "Council") issue a declaratory ruling pursuant to Conn. Gen. Stat. §§ 4-176(a) and 16-50k(a) and Conn. Agencies Regs. § 16-50j-38 *et seq.* approving AnGen's approximately 58.4-megawatt ("MW") (net) combined heat and power natural gas-fired electric generating facility (the "Facility"), including associated equipment for furnishing electricity and a transmission line tap. Also enclosed is a check in the amount of \$500.00 in payment of the filing fee for the Petition.

Conn. Gen. Stat. § 16-50k(a) provides that:

Notwithstanding the provisions of this chapter or title 16a, the council shall, in the exercise of its jurisdiction over the siting of generating facilities, approve by declaratory ruling (1) the construction of a facility solely for the purpose of generating electricity . . . at a site where an electric generating facility operated prior to July 1, 2004, [or] (2) the construction or location . . . of any customer-side distributed resources project or facility . . . with a capacity of not more than sixty-five megawatts, so long as such project meets air quality standards of the Department of Environmental Protection

Under this statute the Council is required to approve by declaratory ruling either of the following:

- (i) the construction of a new electric generating facility at a site where an electric generating facility operated prior to July 1, 2004; or
- (ii) the construction or location of a customer-side distributed resources project or facility with a capacity of not more than 65 MWs, as long as the facility meets Department of Environmental Protection air quality standards.



As discussed fully in the Petition, the Facility meets each of these independent criteria. Additionally, the Facility will not have a substantial adverse environmental effect in the State of Connecticut.

AnGen also requests the Council's approval of AnGen's interconnection to the electrical power grid because it is a "transmission line tap," as defined in Conn. Gen. Stat. § 16-50i(e), which, as demonstrated in the Petition, will not have a "substantial adverse environmental effect" in the State of Connecticut.

Please contact me with any questions concerning this filing.

Very truly yours,

BROWN RUDNICK BERLACK ISRAELS LLP

A handwritten signature in black ink, appearing to read 'P. M. Small', written over a horizontal line.

Philip M. Small

Enclosures

**STATE OF CONNECTICUT
CONNECTICUT SITING COUNCIL**

ANSONIA GENERATION LLC'S PETITION : PETITION NO. ____
FOR A DECLARATORY RULING FOR AN :
ELECTRIC GENERATING FACILITY AND :
TRANSMISSION TAP IN ANSONIA, :
CONNECTICUT : MARCH 13, 2007

**PETITION FOR DECLARATORY RULING
OF ANSONIA GENERATION LLC**

I. INTRODUCTION

Pursuant to Conn. Gen. Stat. §§ 4-176(a) and 16-50k(a) and Conn. Agencies Regs. § 16-50j-38 *et seq.*, Ansonia Generation LLC ("AnGen") hereby requests that the Connecticut Siting Council (the "Council") approve by declaratory ruling AnGen's location and construction of the approximately 58.4-megawatt ("MW") (net) combined heat and power natural gas-fired electric generating facility ("Facility") described herein, including associated equipment for furnishing electricity and a transmission line tap. The Facility will be located on Ansonia Copper & Brass, Inc.'s ("ACB") manufacturing plant site at 75 Liberty Street, Ansonia, Connecticut (the "Site").

Conn. Gen. Stat. § 16-50k(a) provides that:

Notwithstanding the provisions of this chapter or title 16a, the council shall, in the exercise of its jurisdiction over the siting of generating facilities, approve by declaratory ruling (1) the construction of a facility solely for the purpose of generating electricity . . . at a site where an electric generating facility operated prior to July 1, 2004, [or] (2) the construction or location . . . of any customer-side distributed resources project or facility . . . with a capacity of not more than sixty-five megawatts, so long as such project meets air quality standards of the Department of Environmental Protection

Under this statute the Council is required to approve by declaratory ruling either of the following:

- (i) the construction of a new electric generating facility at a site where an electric generating facility operated prior to July 1, 2004; or
- (ii) the construction or location of a customer-side distributed resources project or facility with a capacity of not more than 65 MWs, as long as the facility meets Department of Environmental Protection (“DEP”) air quality standards.

As discussed fully in this Petition, the Facility meets each of these independent criteria.

Additionally, the Facility will not have a substantial adverse environmental effect in the State of Connecticut.

AnGen also requests the Council’s approval of AnGen’s interconnection to the electrical power grid because it is a “transmission line tap,” as defined in Conn. Gen. Stat. § 16-50i(e),¹ which, as demonstrated in this Petition, will not have a “substantial adverse environmental effect” in the State of Connecticut.

¹ Conn. Gen. Stat. § 16-50i(e) defines a “transmission line tap” as:

an electrical transmission line not requested by an applicant to be treated as a facility that has the primary function, as determined by the council, of interconnecting a private power producing or cogeneration facility to the electrical power grid serving the state, and does not have a substantial adverse environmental effect, as determined by the council based on a review of the line's proposed purpose, the line's proposed length, the number and type of support structures, the number of manholes required for the proposed line, the necessity of entering a right-of-way including any easements or land acquisition for any construction or maintenance on the proposed line, and any other environmental, health or public safety factor considered relevant by the council.

II. COMMUNICATIONS

Communications regarding this Petition should be directed to the following:

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III. DISCUSSION

A. BACKGROUND

The Facility will be a state-of-the-art combined heat and power electric generating facility designed to generate approximately 58.4 MWs (net) of electricity and approximately 30,000 pounds per hour (“pph”) of steam. The Facility is expected to serve the entire on-Site steam and electricity loads. The balance of the electricity generated by the Facility will be exported to the grid. As discussed in Exhibit 1 at 16-23, the Facility would allow ACB to better control the energy costs associated with its manufacturing operations. Further, the availability of relatively low-cost steam and electricity from the Facility should allow ACB to consolidate its Waterbury, Connecticut manufacturing operations at the Site and to attract other manufacturing businesses to the Site.

According to The United Illuminating Company (“UI”), the Facility will provide significant benefits to the Southwest Connecticut transmission system. *See* Exhibit 1 at 132-33; Exhibit 2. Specifically, the Facility is expected to serve as a dynamic reactive resource at a critical 115-kilovolt (“kV”) location in the Naugatuck Valley and provide necessary voltage support in the area. As UI testified before the Department of Public Utility Control (“DPUC”) regarding the Facility:

The location of this generator is, from an electrical grid point of view, an excellent choice. It is in a critical location because there’s not a lot of generation between Bridgeport and the central part of the state, Middletown, so adding a generator here would add some benefits, we believe.

Exhibit 1 at 132-133. UI also identified the Facility as a “mitigation solution” to its need for additional local transmission capacity and to a “voltage collapse problem” in that area. *Id.* at 131-132; *see also* Exhibit 2.

The Facility is a “customer-side distributed resources” project under Conn. Gen. Stat. § 16-1(a)(40)(A).² Consequently, ACB has applied to the DPUC for certain monetary grants and long-term financing established under Public Act No. 05-1, June Sp. Sess., *An Act Concerning Energy Independence*. *See generally* DPUC Docket No. 05-07-17, *DPUC Review of the Development of a Program to Provide Monetary Grants for Capital Costs of Customer-Side Distributed Resources*, Decision (March 27, 2006); DPUC Docket No. 05-07-21, *Development*

² The Facility will be “customer-side distributed resources” because it will have “a rating of not more than sixty-five megawatts [and is located] on the premises of a retail end user within the transmission and distribution system” Conn. Gen. Stat. § 16-1(a)(40)(A), as amended by Public Act No. 05-1. *See* DPUC Docket No. 05-07-17, *DPUC Review of the Development of a Program to Provide Monetary Grants for Capital Costs of Customer-Side Distributed Resources*, Decision at 3-4 (March 27, 2006) (interpreting this definition).

of Program to Provide Long-Term Financing for Customer-Side Distribution Resources,
Decision (April 7, 2006).

ACB's application is currently pending in DPUC Docket No. 06-11-08, *Application of Ansonia Copper & Brass, Inc. for a Capital Grant and Financing for Customer-Side Distributed Generation Resources*. On February 28, 2007, the DPUC issued a draft decision concluding that the Facility will reduce federally mandated congestion charges and is, therefore, eligible for a customer-side distributed generation capital grant in the amount of \$28,966,000 and for subsidized long-term financing in the amount of \$45,344,000. A copy of the DPUC's draft decision is attached as Exhibit 3. A final DPUC decision is scheduled to be issued on March 21, 2007, and will be provided to the Council.

B. DESCRIPTION OF THE SITE AND FACILITY

1. Site Description

The Site is currently zoned as a Heavy Industrial District under the Zoning Ordinance of the City of Ansonia. The Site covers approximately 35 acres and has approximately 900,000 square feet of office and factory space. ACB and its predecessors have engaged in manufacturing operations at the Site since approximately 1860. ACB currently manufactures more than 30 forms of copper alloy rods and wires at the Site.

The Site is bordered by the Naugatuck River on the west (with UI's Ansonia Substation on the west side of the Naugatuck River), Farrel Industries on the south, Canal Reservoir on the north, and Liberty, Star, Third and North Fourth Streets on the east. The only adjacent residential uses are several multi-family houses located to the east of the Site on the other side of Liberty Street. *See* Exhibit 4; Exhibit 5.

The portion of the Site that will be used for the Facility is shown on Exhibit 5. Four large manufacturing buildings dominate the Site – the Rod Mill, Extrusion Mill, Casting Shop, and Flat Wire Mill. Most of the major components of the Facility will be installed in the existing Flat Wire Mill building (the “Building”). The Building is located on the east central portion of the Site and covers approximately 84,000 square feet, measuring roughly 420 feet by 200 feet. The nearest residential property is located approximately 300 feet from the Building. The Building has been used for the manufacture of flat copper alloy wire for half a century. ACB will relocate the manufacture of flat wire to another portion of the Site to make way for the Facility.

ACB operated a 1,500-kilowatt steam turbine in the Boiler Building at the center of the Site from approximately 1990 to 2000. This turbine was operated as an emergency generating unit for ACB and was otherwise available to export power to the grid at the request of UI and ISO-New England, Inc. (“ISO-NE”).

2. The Facility

The Facility will be a nominal 58.4-MW natural-gas fired combined heat and power electric generating facility, and will include: (i) a highly efficient General Electric LM6000 combustion turbine (described in Exhibit 6); a heat recovery steam generator (“HRSG”) with selective catalytic reduction (“SCR”) and carbon monoxide (“CO”) catalyst equipment for emissions control; and a nominal 12.5-MW induction-extraction condensing steam turbine capable of exporting 30,000 pph process steam; and associated equipment; (ii) an approximately 1,000 square foot switchyard; and (iii) a 1/4-mile 115-kV transmission line tap to UI’s existing 115-kV Ansonia Substation. It is currently contemplated that this transmission line tap will be

installed underground, except for a short overhead portion where it will cross the Naugatuck River.

As shown on Exhibit 5, most of the Facility's equipment will be located within the Building. Equipment to be located indoors includes the combustion turbine generator, the steam turbine generator, gas compressor, steam turbine condenser, smaller ancillary equipment such as feedwater and condensate pumps, the water treatment system, demineralized water storage, sump pumps, motor control centers, and the control room. The HRSG is expected to be located largely within the Building, although a portion of the HRSG may extend outside the Building due to the HRSG's length and height. The Facility's stand-alone exhaust stack will be located outdoors, adjacent to the Building, and will not exceed a height of 92 feet. In addition, the cooling tower will be located outdoors, situated between the Building and the Rod Mill immediately to the west. The switchyard will be located either within or adjacent to the Building.

Penetrations will be required in the Building roof for the combustion turbine air intake, and intake and exhaust cooling for the generators. The Building's floor will likely require added concrete, and may require pilings, to withstand the additional static and dynamic weight of the turbines, generators, and other rotating equipment.

3. Natural Gas Supply

AnGen will obtain firm natural gas service for the Facility from Yankee Gas Services Company ("Yankee"). A 6-inch Yankee distribution line currently located on the Site supplies ACB. During construction, Yankee will replace this on-site 6-inch distribution line with a new 12-inch line, approximately 500 feet in length, that will be connected to Yankee's existing 12-inch, 250-pound per square inch gauge pressure ("psig") distribution line located beneath North

Main Street. AnGen will install an on-site compressor within the Building in an acoustically treated room measuring approximately 35 feet by 25 feet to raise the pressure of the natural gas from 250 psig to approximately 700 psig.

4. Fire Protection

ACB has several fire hydrants on the Site, two of which are located within 100 yards of the Facility's location. A City of Ansonia fire station is located within 1,000 yards of the Facility at the intersection of North Main and Maple Streets. On-site gas shut-off valves and electric circuit breakers will be properly labeled, and Facility employees will be trained in fire prevention and fire suppression where appropriate.

In addition, the combustion turbine equipment will have a factory-installed fire and gas detection and protection system, complete with optical flame detection, hydrocarbon sensing and thermal detectors, and fire suppression piping and nozzles. This fire protection system includes CO₂ cylinders mounted on the auxiliary equipment module and a 24-V DC battery and charger to power the fire protection system installed in the control module. All alarms and shutdowns are annunciated at the unit control panel.

5. Switchyard and Transmission Line Tap

The switchyard will be located either within or outside the Building, depending on the cooling requirements of the transformer, and will occupy approximately 1,000 square feet. It will include a 13.8-kV switchgear and a 13.8/115-kV transformer.

The 13.8-kV switchgear will connect the Facility to ACB's internal Site electric distribution system and will supply the existing and future electric demand of ACB and other on-Site users. This line will run either underground or overhead, based on discussions with the

owner of the railroad tracks running through the Site that the interconnection would need to cross. The switchyard will also include telecommunications equipment, a protection system, and metering equipment to facilitate operational and control interactions with UI and ISO-NE.

The switchyard's 13.8/115-kV transformer will interconnect to UI's existing Ansonia Substation via a transmission line tap. Ansonia Substation is approximately 1/4-mile southwest of the Site and directly across the Naugatuck River. Except for a short aboveground section for the crossing of the Naugatuck River, it is contemplated that this transmission line tap will be installed underground.

UI has leased two underground duct banks, with a 40-foot easement, between the Naugatuck River and the Ansonia Substation. These duct banks will be utilized to route the 115-kV cable crossing from the edge of the Naugatuck River to the Ansonia Substation. UI plans to have the duct banks available by summer 2007. Each duct bank will be available for two to three 115-kV cables and, therefore, UI will have sufficient space for connecting the Facility.

Based on discussions with UI, but subject to further study and review by both UI and ISO-NE, the new 115-kV transmission line could connect to the last existing 115-kV tower feeding the Ansonia Substation either by tapping the conductors at the tower level or by installing a ring bus on land owned by UI. This transmission line interconnection will employ a protection system design that will allow UI and ISO-NE to operate the interconnection reliably. The tap will also reduce the amount of physical construction within the Ansonia Substation as compared to interconnecting directly to the substation.

6. Environmental Remediation

Prior to commencing construction, AnGen will perform environmental investigations of all Site areas that will be affected by construction. Because the combustion turbine, steam turbine, and ancillary equipment will be enclosed in an existing building, only reinforcement of the concrete floor and pilings may be necessary, requiring little excavation or disturbance of the underlying soil. Therefore, only minimal, if any, remediation will be required. Excavated soils will be tested and, based on test results, will either be transported off-site for beneficial reuse or for proper disposal.

7. Construction Process

After the removal and clearing of existing ACB equipment from the Site, pilings will be driven (if required), reinforced foundations for the major equipment will be poured, and structural support steel will be erected within the Building where penetrations are required. The major equipment, including the combustion turbine, steam turbine, gas compressor, steam turbine condenser, and transformers, will be installed on vendor-supplied base plates or skids.

8. Environmental Permits

AnGen will obtain all permits from the DEP required for construction and operation of the Facility including: (i) a DEP new source air emissions review permit to construct and operate the Facility; (ii) a federal Clean Air Act (“CAA”) Title V operating permit; and (iii) any required water discharge permits. AnGen proposes to reduce emissions and mitigate air quality impacts through the use of water injection, an SCR, and a CO catalyst. During operations, the natural gas-fired combustion turbine will meet all applicable federal and State air quality regulations.

9. Consultations with the City of Ansonia

AnGen has had several discussions with local officials, including the Mayor of Ansonia, James T. Della Volpe, and the head of Ansonia's Economic Development Office, Claude L. Perry, Sr., concerning the construction and operation of the Facility, the temporary and permanent jobs that will be created, the improved electrical reliability of the local transmission system and, ultimately, lower electricity costs for ACB. In addition, AnGen has had discussions with state and federal officials, including the offices of U.S. Representative, Rosa L. DeLauro, and State Representative, Linda M. Gentile, regarding the benefits of the Facility noted above, the productive use of a "brownfield site," and the attraction of new businesses to the Site and the surrounding area. Furthermore, within thirty days of submission of this Petition, AnGen will provide an opportunity for local residents and businesses to meet with AnGen officials to discuss the Facility.

AnGen will also file a letter with the Ansonia Planning and Zoning Commission providing the commission with an opportunity to issue a location approval for the Facility pursuant to Conn. Gen. Stat. § 16-50x(d). A draft copy of this letter is attached as Exhibit 7, and AnGen will file a final copy of the letter with the Council.

C. **THE FACILITY WILL MEET DEP AIR QUALITY STANDARDS AND WILL NOT HAVE A SUBSTANTIAL ADVERSE ENVIRONMENTAL EFFECT IN THE STATE**

As demonstrated below, AnGen's construction and operation of the Facility will meet DEP air quality standards and will not have a substantial adverse environmental effect in the State of Connecticut.

1. Construction of the Facility Will Not Have a Substantial Adverse Environmental Effect

a. Air Quality Impacts

Construction-related air impacts will be minor and of short duration. These impacts are expected to result primarily from construction vehicle exhaust and from fugitive dust generated by excavation and vehicle movements on excavated or graded surfaces. A significant portion of the construction will be performed inside an existing building. This will minimize the amount of construction dust emitted to the environment. To limit the amount of dust which escapes the building, construction dust will be swept on a frequent basis.

Construction dust from outdoor activities will be minimized by appropriate dust suppression techniques, including wetting the construction area as appropriate during the construction process and sweeping. Typically wetting is done by water trucks with an outlet distribution bar that mists water to hold dust to the ground. In addition to reducing air emissions, this process mitigates the potential for dust from construction to enter the storm drain system or waterways. Trucks carrying excavated materials from the site will be covered and washed prior to leaving the site.

b. Traffic Impacts

Construction of the Facility will result in a minimal temporary increase in traffic. A conservative estimate of the off-site truck trips necessary to deliver construction material to the Facility site would be approximately 15 vehicles per day, Monday-Friday during non-school hours for approximately 64 weeks. Additionally, at its peak, the construction process will employ approximately 60 workers, resulting in approximately 60 additional vehicle roundtrips per day during the 15-month construction and start-up period. Traffic patterns for construction

vehicles entering and exiting the Site will be coordinated with the municipal agencies (fire, police, and planning departments) prior to the beginning of work. Truck routes will be adjusted to minimize increased daytime traffic over specific streets and to favor commercial and business routes over residential routes.

c. Water Impacts

Construction-related water impacts are expected to be minimal given that most of the proposed construction areas are inside the Building or are currently paved. AnGen will develop and implement a soil and erosion control plan to minimize runoff of silt, dust, and soil into the existing storm drainage system or into the Naugatuck River (the only nearby watercourse). Appropriate erosion and sedimentation control measures, including hay bales, construction filter fabric, and/or dewatering sumps will be used to minimize any erosion or sedimentation in outdoor work areas. The control measures will be inspected on a daily basis, and cleaned and repaired as necessary.

AnGen does not anticipate needing a stormwater discharge permit from DEP for construction of the Facility because the proposed activities are limited to less than one acre. AnGen also does not anticipate encountering groundwater during construction activities. However, if groundwater is encountered, AnGen will obtain appropriate authorization to discharge the groundwater to the sanitary sewer system. All new structures will be added to the ACB's existing storm water pollution prevention plan in accordance with ACB's existing DEP Stormwater General Permit.

d. Noise Impacts

In order to mitigate any potential noise impacts on nearby residents, any major noise generating construction activity will be performed Monday-Friday from 7:00 a.m. to 6:00 p.m. and from 8:00 a.m. to 6:00 p.m. on weekends. Work that does not generate significant additional noise may also be done during the off-shifts.

e. Impacts on Sensitive Receptors

The Facility will be located at the site of an existing manufacturing plant within Ansonia's Heavy Industrial District. There are no inland wetlands on the Site. The Site is not adjacent to public land, recreation areas or other designated areas. The Site contains no known threatened or endangered animal or plant species, nor does it contain known significant habitats. In addition, the Site contains no known areas of historic or prehistoric significance. As a result, there will be no anticipated impacts on wildlife (including threatened and endangered species), vegetation, wetlands, watercourses, historical, architectural, cultural, or recreational resources. AnGen will obtain confirmation of the foregoing from the DEP and the Connecticut Historical Commission, as applicable, and file such confirmation with the Council.

2. Operation of the Facility Will Meet DEP Air Quality Standards and Will Not Have a Substantial Adverse Environmental Effect

a. Air Emissions and Permitting

AnGen will obtain the necessary air emissions permits from the DEP to construct and operate the Facility. As demonstrated below, the Facility will meet all applicable federal and State air quality regulations and is expected to be a minor air emissions source under applicable DEP air quality regulations.

(i) *Air Emissions Controls*

As described above in section III.B, the Facility will include state-of-the-art emissions controls to comply with applicable CAA air quality requirements. Emissions of nitrogen oxides (“NO_x”) will be controlled by water injection in conjunction with SCR. CO emissions will be controlled by an oxidation catalyst and good combustion practices. Sulfur dioxide (“SO₂”), and other sulfur emissions such as H₂SO₄, will be minimized by the use of low-sulfur, pipeline quality natural gas. Similarly, particulate emissions will be minimized by the use of pipeline quality natural gas and efficient combustion. Emissions of volatile organic compounds (VOCs) will be controlled by good combustion practices. In addition, it is expected that the oxidation catalyst will further reduce VOC emissions.

(ii) *Emissions Characteristics of the Facility*

AnGen’s combustion turbine vendor provided site-specific criteria pollutant emissions data, including the effects of water injection, over a full range of ambient conditions from 0°F to 92°F. This emissions data, including the effects of post-combustion emissions controls for CO and NO_x is presented in Tables 1 and 2. Table 1 contains the Facility’s worst-case hourly criteria pollutant emissions. Table 2 contains the Facility’s annual criteria pollutant emissions based on 8,760 hours of operation at 100 percent load and at an annual average temperature of 54°F. The emissions data in Table 2 demonstrates that the Facility will not be a major source of criteria pollutants and, therefore, will not be a major source for New Source Review purposes.

Table 1: Combustion Turbine Hourly Criteria Pollutant Emissions⁽¹⁾

<i>Compound</i>	<i>Uncontrolled Emission⁽²⁾ (lbs/hr)</i>	<i>Controlled Emission (lbs/hr)</i>
NOx	43.0	4.3
CO	50.9	5.1
VOC	0.8	0.6
SO ₂	1.1	1.1
TSP	4.0	4.0
PM10	4.7	4.7
H2SO4	0.5	0.5

(1) Worst-case short-term emissions based on 100% load and range of ambient temperatures.
(2) Uncontrolled emissions include the effect of water injection

Table 2: Combustion Turbine Annual Criteria Pollutant Emissions⁽¹⁾

<i>Compound</i>	<i>Uncontrolled Emission⁽²⁾ (tpy)</i>	<i>Controlled Emission (tpy)</i>
NOx	188.0	18.8
CO	162.2	16.2
VOC	2.2	1.8
SO ₂	4.8	4.8
TSP	17.5	17.5
PM10	20.6	20.6
H2SO4	2.2	2.2

(1) Annual emissions based on annual average temperature, 100% load, and full year operation (8,760 hours).
(2) Uncontrolled emissions include the effect of water injection

The Facility’s annual emissions of hazardous air pollutants (“HAPs”) were estimated based on Chapter 3.1 of the United States Environmental Protection Agency’s publication AP-

42, *Compilation of Air Pollutant Emission Factors, Volume I: Stationary Point and Area*

Sources. HAP emission estimates based on the EPA factors are provided in Table 3. While it is expected that the oxidation catalyst will provide up to approximately a 40 percent reduction in VOC emissions, this reduction is not generally guaranteed by catalyst vendors and, therefore, has not been reflected in Table 3. The data in Table 3 indicate that total HAP emissions are approximately 1.9 tons per year (“tpy”). Therefore, the Project will not be a major new source of HAP emissions and will not subject to the permitting requirements of 40 CFR Part 63.

Table 3: Combustion Turbine Annual HAP Emissions

<i>Compound</i>	<i>Emission Factor (lbs/MMBtu)</i>	<i>Factor Rating</i>	<i>Hourly Emissions (lbs/hr)</i>	<i>Annual Emissions (tpy)</i>
1,3-Butadiene	4.30E-07	D	2.07E-04	0.0009
Acetaldehyde	4.00E-05	C	1.92E-02	0.0739
Acrolein	6.40E-06	C	3.08E-03	0.0118
Benzene	1.20E-05	A	5.77E-03	0.0253
Ethylbenzene	3.20E-05	C	1.54E-02	0.0591
Formaldehyde	7.10E-04	A	3.41E-01	1.3113
Naphthalene	1.30E-06	C	6.25E-04	0.0027
PAH	2.20E-06	C	1.06E-03	0.0046
Propylene Oxide	2.90E-05	D	1.39E-02	0.0536
Toluene	1.30E-04	C	6.25E-02	0.2401
Xylenes	6.40E-05	C	3.08E-02	0.1182

Table 4 provides a comparison of estimated actual stack concentrations of HAPs to the maximum allowable concentrations (“MASC”) of such HAPs under Conn. Agencies Regs. § 22a-174-29. The data in Table 4 indicate that there will not be any MASC exceedences.

Table 4: Compliance with Connecticut HAP Regulations

<i>Compound</i>	<i>Actual Stack Concentration ($\mu\text{g}/\text{m}^3$)</i>	<i>Maximum Allowable Stack Concentration ($\mu\text{g}/\text{m}^3$)</i>
1,3-Butadiene	3.60×10^{-10}	3.40×10^6
Acetaldehyde	3.34×10^{-08}	5.57×10^5
Acrolein	5.36×10^{-09}	7.74×10^2
Benzene	1.00×10^{-08}	2.32×10^4
Ethylbenzene	2.68×10^{-08}	1.35×10^6
Formaldehyde	5.93×10^{-07}	1.86×10^3
Naphthalene	1.09×10^{-09}	1.55×10^5
PAH	1.84×10^{-09}	1.55×10^1
Propylene Oxide	2.42×10^{-08}	1.55×10^5
Toluene	1.09×10^{-07}	1.16×10^6
Xylenes	5.36×10^{-08}	1.34×10^6

(iii) *Potentially Applicable Air Permitting Requirements*

Prior to commencing construction, AnGen will apply for and obtain a permit to construct and operate from the DEP pursuant to Conn. Agencies Regs. § 22a-174-3a. AnGen will also apply for and obtain a Title V operating permit pursuant to Conn. Agencies Regs. § 22a-174-33. As part of its DEP air permitting process, AnGen will be required to demonstrate compliance with all applicable federal and State air quality regulations, including the following:

- Compliance with National Ambient Air Quality Standards (40 CFR Part 81) – As part of AnGen’s DEP air permit application process, AnGen will perform appropriate modeling to demonstrate the Facility’s compliance with all applicable ambient air quality standards for criteria pollutants.
- Prevention of Significant Deterioration (“PSD”) Regulations (40 CFR Part 52.21) – PSD applies to new major sources of regulated pollutants and major modifications to existing

sources. Because the Facility's total annual emissions of all criteria pollutants is less than 100 tons per year (Table 2), the Facility will not be subject to PSD review. As noted above, emissions from the Facility will not exceed major source thresholds. Therefore, the Facility will not be subject to PSD review.

- New Source Performance Standards ("NSPS") (40 CFR Part 60) – The Facility's NO_x and SO₂ emissions will be well below the emissions limits set in 40 CFR Part 60, Subpart KKKK, *Standards of Performance for Stationary Gas Turbines*, for NO_x and SO₂.
- National Emissions Standards for Hazardous Air Pollutants ("NESHAP") (40 CFR Part 63) – 40 CFR Part 63, Subpart YYYY, *National Emissions Standards for Hazardous Air Pollutants for Stationary Combustion Turbines*, applies to stationary combustion turbines located at major sources for HAPs. As noted above, the Facility will be a minor source of HAPs, therefore, the project is not subject to NESHAP regulation.
- Federal Operating Permit and Acid Rain Programs (40 CFR Parts 72 through 78) – The Facility will be a CAA Title V source and will apply for and obtain a CAA Title V operating permit in accordance with Conn. Agencies Regs. § 22a-174-33. In addition, the facility will apply for and obtain a CAA Title IV Acid Rain Permit.
- State Regulation of Hazardous Air Pollutants (Conn. Agencies Regs. § 22a-174-29) – All new sources in Connecticut must comply with the maximum allowable stack concentrations ("MASCs") set forth in Conn. Agencies Regs. § 22a-174-29. MASCs are computed for all HAPs using equations and hazardous limiting values given in section 22a-174-29. Table 4 presents numerical values of the MASCs in units of micrograms per actual cubic meter

(“ $\mu\text{g}/\text{m}^3$ ”). MASCs for the HAPs in the turbine exhaust gas are compared to the actual stack concentrations (“ASC”). ASCs are computed by material balance using AP-42 emission factors. As shown in Table 4, the Facility will comply with Connecticut’s MASCs for HAPs established in Conn. Agencies Regs. § 22a-174-29.

b. Water Use and Discharge

When the Facility is operating with 30,000 pph of steam process flow, the Facility’s total process water consumption will be approximately 250 gallons per minute (“gpm”) or 360,000 gallons per day (“gpd”). Process water for the Facility will be supplied by ACB, which currently has a DEP water diversion registration for 4.32 million gpd from the Naugatuck River. The Facility’s estimated wastewater discharge will be approximately 61 gpm or 88,000 gpd. Wastewater will be treated on-Site within a portable wastewater treatment unit located within the Building. Excluding cooling tower blowdown (approximately 32 gpm), which is expected to be discharged to the Naugatuck River, wastewater will be discharged to the local sewer treatment authority. A water balance diagram for the Facility is attached as Exhibit 8.

AnGen will prepare and implement a spill, prevention, containment and control plan. All chemical storage areas for the Facility will be located indoors with appropriate containment. For example, lubricating oil for the gas and steam turbines will be stored in special containment vessels supplied by the respective manufacturers. Aqueous ammonia for the SCR will be stored outdoors in a specially designed ammonia storage tank with containment and safety sprays. Other liquids, such as biocides for the cooling tower and similar water treatment chemicals will be stored in a separate shed with appropriate containment.

c. Visual and Aesthetic Effects

The visual character of the Facility will be consistent with the aesthetics of the Site – an industrial location presently occupied by ACB’s manufacturing plant with an existing 150-foot tall stack. The Facility will be largely inside an existing building on the Site. The new stack (not to exceed 92 feet in height) combustion turbine air intake, and a section of the HRSG are expected to be the only Facility features that will be visible above the existing Building roof. The switchyard will be located either indoors or between existing buildings, thereby minimizing its visual impact. Similarly, the visibility of the transmission line tap and on-Site distribution system interconnection will be largely eliminated by underground routing and aboveground routing that is lower than the heights of the surrounding Site buildings.

d. Noise

Noise levels emitted by the Facility will meet applicable DEP and Ansonia noise limits at all off-site noise receptors. Several features of the Facility will abate sound transmission. For example, the combustion turbine air intakes include silencers to reduce noise. In addition, much of the Facility’s equipment will be situated indoors. AnGen will also incorporate appropriate noise mitigation measures, such as acoustic wall panels, into the building. AnGen will conduct pre- and post-construction noise monitoring of the Facility, and AnGen will take additional measures to reduce Facility noise levels if necessary to meet applicable noise limits.

e. Electric and Magnetic Fields

Electric and magnetic fields produced by the overhead electric interconnecting transmission line are determined by the voltage level, electric current level, and length of the line. The proposed 115-kV overhead line will have an electric current of approximately 300

amperes and extend only over the Naugatuck River. These characteristics produce low levels of electric and magnetic fields. Further, the transmission line will comply with UI's policies on constructing new 115-kV transmission lines and the Council's "Best Management Practices for Electric and Magnetic Fields."

f. Traffic

During Facility operations, it is anticipated that on a daily basis there will be approximately two dozen vehicles vehicle trips to and from the Facility each day. Although some additional vehicular traffic may occur during periods of Facility maintenance, it is expected that this additional traffic will be slight when compared to existing daily traffic to and from ACB.

D. BASIS FOR GRANTING OF THE PETITION

Under Conn. Gen. Stat. § 16-50k(a), the Council is required to approve by declaratory ruling either of the following: (i) the construction of a new electric generating facility at a site where an electric generating facility operated prior to July 1, 2004; and (ii) the construction or location of a customer-side distributed resources project or facility with a capacity of not more than 65 MWs, as long as the facility meets DEP air quality standards. The Facility meets each of these criteria. As noted earlier, ACB operated a 1,500-kilowatt electric generating facility at the Site prior to July 1, 2004 (from approximately 1990 to 2000). Further, the Facility is a "customer-side distributed resources" project, as defined in Conn. Gen. Stat. § 16-1(a)(40)(A), because the Facility has "a rating of not more than sixty-five megawatts [and is located] on the premises of a retail end user within the transmission and distribution system" and, as demonstrated herein, will meet DEP air quality standards. In addition, as demonstrated above,


the construction and operation of the Facility and transmission line tap will not have a substantial adverse environmental effect in the State of Connecticut.

V. CONCLUSION

For the reasons stated above, AnGen respectfully requests that the Council approve the location and construction of the Facility by declaratory ruling.

Respectfully submitted,

ANSONIA GENERATION LLC


By: _____

Philip M. Small
Michael E. Kozlik
Brown Rudnick Berlack Israels LLP
CityPlace I, 185 Asylum Street
Hartford, CT 06103-3402
(860) 509-6500 (office)
(860) 509-6501 (fax)
Its Attorneys

EXHIBITS

- Exhibit 1 – DPUC Docket No. 06-11-08, Public Hearing Transcript Excerpts (January 9, 2007)
- Exhibit 2 – Letter from Patrick McDonnell, The United Illuminating Company, to Louise E. Rickard, Department of Public Utility Control, re: Docket No. 06-11-08 (January 4, 2007)
- Exhibit 3 – Draft Decision, DPUC Docket No. 06-11-08, *Application of Ansonia Copper & Brass, Inc. for a Capital Grant and Financing for Customer-Side Distributed Generation Resources* (February 28, 2007)
- Exhibit 4 – Site Topographic Map
- Exhibit 5 – Proposed Layout
- Exhibit 6 – General Electric LM6000 Gas Turbine Product Sheet
- Exhibit 7 – Draft Location Approval Letter to Ansonia Planning and Zoning Commission
- Exhibit 8 – Water Flow Diagram

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EXHIBIT 1

DPUC Docket No. 06-11-08, Public Hearing Transcript Excerpts (January 9, 2007)

1 A p p e a r a n c e s :

2 For Ansonia Generation, LLC:

3 BROWN RUDNICK BERLACK ISRAELS, LLP

4 CityPlace I

5 185 Asylum Street

6 Hartford, Connecticut 06103

7 BY: PHILIP M. SMALL, ESQ.

8

9 For the United Illuminating Company:

10 WIGGIN & DANA

11 One Century Tower

12 New Haven, Connecticut 06510

13 BY: SIGRID KUN, ESQ.

14

15 For the Connecticut Light & Power

16 Company:

17 NORTHEAST UTILITIES

18 107 Selden Street

19 Berlin, Connecticut 06037

20 BY: STEPHEN GIBELLI, ESQ.

21

22 For the Office of Consumer Counsel:

23 JOAQUINA BORGES KING, ESQ.

24

25

1 A p p e a r a n c e s (Cont'd.):

2 DPUC Staff:

3 JOHN JASINSKI

4 MARK J. QUINLAN

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1 which I've given to Ms. Rivera, and she will
2 distribute copies of it, and I'd like to have
3 this read into the record. After that the
4 witnesses will be available for
5 cross-examination.

6 THE CHAIRPERSON: Thank you,
7 Attorney Small.

8 THE WITNESS (McGee): Good
9 morning. My name is Raymond McGee. I'm the
10 president and sole owner of Ansonia Copper
11 and Brass. In addition, through my sole
12 ownership of AW Power Holdings, LLC, I'm a
13 member and a majority owner of Ansonia
14 Generation, LLC. I greatly appreciate the
15 opportunity to discuss our proposed
16 customer-side distributed generation project
17 with you today.

18 ACB has a lengthy history in
19 the Naugatuck Valley beginning in the 1860s
20 through ownership by Anson Phelps and
21 progressing to American Brass ownership. I
22 purchased the company from the employee stock
23 ownership plan owned by the ACB employees in
24 June of 2002. At that time, the company had
25 lost more than \$3 million in the most recent

1 year of operation and was in technical
2 bankruptcy.

3 The company has two
4 manufacturing sites. In total, we employ
5 approximately 250 employees.

6 One site is in Waterbury where
7 we manufacture specialty copper nickel tubing
8 in diameters from 2 inches up to 14 inches.
9 Our primary customer is the United States
10 Navy, and we are the only domestic
11 manufacturer of these products. Without our
12 presence, the U.S. Navy and Coast Guard would
13 be reliant upon the one other foreign
14 manufacturer of this tubing to repair their
15 ships and to build new ones.

16 Our second manufacturing site
17 is located in Ansonia where we produce more
18 than 30 copper alloys in rod and wire. Our
19 Ansonia plant is United Illuminating
20 Company's third largest customer, and energy
21 is one of the primary cost components that we
22 must control to remain competitive in our
23 marketplace. We are also the second largest
24 taxpayer in the City of Ansonia.

25 As with our Waterbury

1 products, many of our Ansonia products play a
2 key role in the aerospace and military
3 markets. Also, our Ansonia facility is the
4 last remaining multicopper alloy manufacturer
5 in the United States.

6 Our primary competition comes
7 from overseas and it is intense and constant.
8 We have survived by being creative in the
9 marketplace with our service levels, adding
10 new products, improving our internal
11 performance, and developing stringent cost
12 controls. We must continue this process, and
13 the proposed customer-side generation project
14 is a critical component of our overall
15 strategy and continuing efforts if we are to
16 preserve our Ansonia site as a viable
17 manufacturing location.

18 Our Ansonia site covers
19 approximately 38 acres and has approximately
20 900,000 square feet of office and factory
21 space. We must consolidate our operations to
22 reduce our overhead expenses. This action
23 will create additional space available for
24 use by other manufacturing concerns. We have
25 just signed a letter of intent for the

1 purchase of our administration and rod mill
2 buildings with a manufacturer. We have been
3 told that this new concern will initially
4 create 250 new jobs and that this employment
5 level is expected to grow to 1,000 in the
6 near future. This is exciting news for
7 Ansonia and for Connecticut and its citizens.
8 It also represents a creative use of our
9 Brownfield property and would result in a new
10 user of electricity and steam generated by
11 our project.

12 The concept of a distributed
13 generation facility was originally suggested
14 to us by UI. And subsequently, this idea has
15 grown to a project finance effort, known as
16 "AnGen", allowing us to pursue this
17 opportunity.

18 Our Ansonia site is unique in
19 that it contains many attributes that argue
20 well for such a generation project. Some of
21 the more important attributes include:

22 One, the existing site
23 environmental configuration will accept the
24 generation system outputs.

25 Two, the Ansonia property

1 occupies 38 acres and it is a designated
2 Brownfield site. The State of Connecticut is
3 encouraging the use of such sites for energy
4 related project.

5 Three, the Ansonia property
6 abuts a 115 kVA UI substation, and
7 installation of this generation system would
8 require no new substation construction.

9 Four, Yankee Gas Company has a
10 gas compression station in Ansonia and an
11 abundant supply of natural gas at appropriate
12 pressures exists curbside to the Ansonia
13 property.

14 Five, we have been informed
15 that a substantial UI customer power need
16 exists below the Ansonia property. Today we
17 participate weekly in a UI load shedding
18 program whereas four years ago we were asked
19 to participate only during the critical
20 summer months. This fact suggests a growing
21 power shortage situation.

22 Six, UI has stated that a
23 transformer power efficiency problem exists
24 at the substation in Ansonia. This
25 generation project would help reduce these

1 problems and improve customer reliability.

2 Seven, on-site generation will
3 attract new manufacturing uses to our site.
4 The prospective buyer of our administration
5 and rod mill building considers the on-site
6 generation system to be an advantage for
7 their operation.

8 AnGen will become a customer
9 of UI as soon as construction is initiated
10 for this project. At this time, AnGen will
11 begin purchasing construction power from UI.
12 When the distributed power generation project
13 has been completed, AnGen will continue to be
14 a UI customer for backup and standby power.
15 Recently, AnGen filed an application for
16 service from UI.

17 AnGen will be a Yankee Gas
18 customer as well. Yankee Gas will deliver
19 natural gas to our Ansonia site for use in
20 the distributed power generation facility.
21 AnGen may also purchase natural gas from
22 Yankee Gas for use in this facility. An
23 account application has been filed with
24 Yankee Gas and will be activated when the
25 meter is installed.

1 In summary, AnGen will install
2 a state-of-the-art, efficient, combined heat
3 and power system that is fully compliant with
4 all environmental standards and which will be
5 able to serve all on-site steam and electric
6 needs. We have selected a highly efficient
7 General Electric turbine that assures system
8 reliability and environmental compliance.

9 Our project requires no
10 substantial installation of site structures
11 such as towers and new lines. In addition to
12 being a substantial economic value to ACB,
13 installation of this distributed power
14 generation facility will improve overall
15 system reliability for retail electric
16 customers, address an area power shortage
17 reported to be about 400 megawatts, supply
18 power to the grid in an efficient,
19 cost-effective fashion, and provide
20 significant employment and economic benefits
21 to the City of Ansonia, the Naugatuck Valley
22 and the State of Connecticut.

23 Thank you again for the
24 opportunity to provide my comments regarding
25 AnGen's proposed distributed power generation

1 system.

2 MR. SMALL: Mr. Chairman, one
3 more question before I make the witnesses
4 available.

5 BY MR. SMALL:

6 Q. (Small) Mr. Verrill, if you could
7 turn to the first page of the amended
8 application, please?

9 A. (Verrill) Sure.

10 Q. (Small) There's a customer number
11 for Yankee Gas in item B3. Whose customer
12 number is that?

13 A. (Verrill) That's one of the numbers
14 for Ansonia Copper and Brass.

15 Q. (Small) At this point that's not
16 the number for Ansonia Generation?

17 A. (Verrill) That's correct.

18 Q. (Small) Ansonia Generation will
19 obtain its own customer number?

20 A. (Verrill) And it has so applied.

21 MR. SMALL: With that,
22 Mr. Chairman, the witnesses are available for
23 cross-examination.

24 THE CHAIRPERSON: Thank you.
25 Thank you for your statement, Mr. McGee.

1 and then returning whatever that value should
2 be back to all customers.

3 So, my intent in EL-10 was to say
4 we don't want to be involved in that on a
5 daily basis because it can be so complicated.
6 It should be very prescriptive the amount of
7 the grant times the monthly price which
8 should be returned.

9 Q. (Jasinski) The last question I have
10 is in Mr. McGee's opening statement he has
11 here a comment that UI has stated that a
12 transformer power efficiency problem exists
13 at the substation in Ansonia. This
14 generation project would help reduce this
15 problem and improve customer reliability.
16 Can you tell me what the problem is and how
17 this project is going to solve that problem?

18 A. (Boutsioulis) It hasn't been
19 determined. We're, at this point, studying.
20 There's a voltage collapse problem.
21 Basically there's a need for an additional
22 transmission capacity in the area. This is
23 one of the solutions we're looking at as a
24 mitigation solution to add transmission line
25 in the area. That would also address our

1 radio transmission problem. There's 110
2 megawatts of load between Indian Well
3 substation and Ansonia substation. If a tree
4 limb would strike both lines on a common
5 power, and this has happened twice in the
6 last ten years, we would lose both
7 substations, Indian Well and the Ansonia
8 substation. So we'd like to consider adding
9 additional transmission capacity in the area,
10 and we have plans to study that right now.
11 We stated this in the 2006 Siting Council's
12 report we provided to the Connecticut Siting
13 Council, and it's called the North Valley
14 Voltage Improvement Project. Adding a 65
15 megawatt generator here is one of the
16 solutions we would consider as a possible
17 mitigating solution. It might defer
18 additional capacity beyond that point, so it
19 has to be studied.

20 The location of this generator is,
21 from an electrical grid point of view, an
22 excellent choice. It is in a critical
23 location because there's not a lot of
24 generation between Bridgeport and the central
25 part of the state, Middletown, so adding a

1 generator here would add some benefits, we
2 believe.

3 MR. JASINSKI: That's all I
4 have.

5 THE CHAIRPERSON: Okay. Any
6 other questions from the Department?

7 Hearing none, Attorney Borges
8 King?

9 EXAMINATION

10 BY MS. BORGES KING:

11 Q. (Borges King) I think most of my
12 questions have already been answered.
13 I think it was Mr. McDonnell who stated that
14 obviously you would anticipate that in the
15 event Ansonia Generation participates in the
16 forward capacity market that you would
17 anticipate that the benefits from that would
18 be returned, in whole or in part, to
19 ratepayers to pay off a portion of the grant;
20 did I understand you?

21 A. (McDonnell) Yes. I think, from a
22 ratepayer's perspective, the real tangible
23 benefit that a project like this offers all
24 of the customers is the fact that there's
25 some significant additional capacity. And if

EXHIBIT 2

Letter from Patrick McDonnell, The United Illuminating Company, to Louise E. Rickard,
Department of Public Utility Control, re: Docket No. 06-11-08 (January 4, 2007)

The United Illuminating Company
157 Church Street
P.O. Box 1564
New Haven, CT 06506-0901
203.499.2000



January 4, 2007

Ms. Louise E. Rickard
Acting Executive Secretary
Department of Public Utility
10 Franklin Square
New Britain, CT 06051

**Re: Re: Docket No. 06-11-08-Application of Ansonia Generation LLC for a
Capital Grant and Financing for Customer-Side Distributed Generation
Resources**

Dear Ms. Rickard:

The United Illuminating Company ("UI") is in receipt of a copy of the application of Ansonia Copper and Brass for a Capital Grant and Financing for their customer-side distributed generation resource. UI supports the application of Ansonia Copper and Brass and urges the Department, after a thorough review, to approve projects that can reduce FMCCs and that add new generation resources needed in Southwest Connecticut and the State as a whole. UI has been working with Ansonia Copper and Brass and supports projects that can help lower customer energy costs in Connecticut.

The applicant proposes interconnecting this unit to the UI system through a 115 kV output directly into Ansonia Substation. Although interconnection studies will still be necessary, the difficulties of interconnecting a unit of this size to the distribution system are avoided through interconnection at a transmission voltage. Ansonia is also located in the Southwest Connecticut Load pocket. The additional generation that this project will supply to that load pocket will be beneficial to the other customers in this region.

The pending application is part of the owner's economic development plan for this site. The lower Naugatuck Valley is filled with closed manufacturing facilities that once provided jobs and economic activity there. Ansonia Copper and Brass seeks to consolidate their operations and find expanded uses for their site. This application is an important part of that process.

The location of this proposed project is a brown-field site. These types of locations were identified as good locations for generation in parts of the Energy Independence Legislation. A project such as this is an excellent use for this type of site.

UI is confident that the applicant will address any questions the Department may have in their review process. We look forward to the department's review and approval and a successful project upon completion.

Please call me if you have any questions (203-499-2923).

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick McDonnell". The signature is written in a cursive style with some loops and flourishes.

Patrick McDonnell
Director of Conservation and Load Management

cc: Service List

EXHIBIT 3

Draft Decision, DPUC Docket No. 06-11-08, *Application of Ansonia Copper & Brass, Inc. for a Capital Grant and Financing for Customer-Side Distributed Generation Resources* (February 28, 2007)

STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC UTILITY CONTROL
TEN FRANKLIN SQUARE
NEW BRITAIN, CT 06051

DOCKET NO. 06-11-08 APPLICATION OF ANSONIA COPPER & BRASS, INC.
FOR A CAPITAL GRANT AND FINANCING FOR
CUSTOMER-SIDE DISTRIBUTED GENERATION
RESOURCES

February 28, 2007

By the following Commissioners:

Anthony J. Palermino
Donald W. Downes
John W. Betkoski, III

DRAFT DECISION

This draft Decision is being distributed to the parties in this proceeding for comment. The proposed Decision is not a final Decision of the Department. The Department will consider the parties' arguments and exceptions before reaching a final Decision. The final Decision may differ from the proposed Decision. Therefore, this draft Decision does not establish any precedent and does not necessarily represent the Department's final conclusion.

I. INTRODUCTION

A. SUMMARY

In this Decision, the Department of Public Utility Control awards Ansonia Copper & Brass, Inc. a capital grant of \$28,966,000 for 57,932 kW of customer-side CHP

distributed generation in SWCT. The project is eligible for subsidized long-term financing for \$45,334,000.

B. BACKGROUND OF THE PROCEEDING

By application received on November 9, 2006 (Application) filed under section 16-243i of the General Statutes of Connecticut (Conn. Gen. Stat.) and Docket No. 05-07-17, DPUC Review of the Development of a Program to Provide Monetary Grants for Capital Costs of Customer-Side Distributed Resources, Ansonia Copper & Brass, Inc. (ACB) through its subsidiary, Ansonia Generation, LLC (AnGen), requested the Department of Public Utility Control's (Department) approval for a capital grant for customer-side distributed generation resources.

C. CONDUCT OF THE PROCEEDING

By Notice of Hearing dated December 29, 2006, a public hearing was held on this matter in the Department's offices, Ten Franklin Square, New Britain, CT on January 9, 2007.

The Department issued a draft Decision in this matter on February 28, 2007. All Participants were afforded an opportunity to file written exceptions to and provide oral arguments on the draft Decision.

D. PARTICIPANTS

The Department recognized ACB, 75 Liberty Street, Ansonia, Connecticut 06401; The Connecticut Light and Power Company (CL&P), P.O. Box 270, Hartford, Connecticut 06141-0270; The United Illuminating Company (UI), 157 Church Street, P.O. Box 1564, New Haven, Connecticut 06506-0901; Banc of America Leasing & Capital (Banc of America), NJ6-144-02-10, 25 North Maple Avenue, Ridgewood, New Jersey 07450; and the Office of Consumer Counsel (OCC), Ten Franklin Square, New Britain, Connecticut 06051, as Participants to this proceeding.

E. POSITION OF THE PARTICIPANTS

In its Brief, OCC presents its concerns with this project on issues on financing, capacity rights, the cost of transmission upgrades, and relocation of ACB load from Waterbury to the site. OCC Brief, pp. 2-3. OCC recommends that the Application be held in abeyance until the issues are resolved. OCC Brief, p. 4.

II. DEPARTMENT ANALYSIS

A. APPLICATION

An Application for a capital grant and financing for customer-side distributed generation resources was filed on November 9, 2006 by AnGen, a subsidiary of UI's electric customer ACB. AnGen filed a revised application on December 12, 2006 to reflect changes in the number of generator units and reduced generation capacity in

order to obtain an earlier delivery of generation equipment to ensure attaining the planned startup date. At the January 9, 2007 hearing, the Department directed AnGen¹ and ACB to amend the AnGen application to designate ACB as the applicant who has the existing retail electric account as required by Conn. Gen. Stat. §16-243i. On January 16, 2007 ACB submitted Late File Exhibit No.1 which was a revised application naming ACB as the Applicant and included changes to the December 12, 2006 filing. Upon issuance of the Draft decision on February 28, 2007, the docket name was change to Application Of Ansonia Copper & Brass, Inc. For A Capital Grant And Financing For Customer-Side Distributed Generation Resources to accurately identify the instant docket and applicant.

In Late File Exhibit No. 1, the Applicant, ACB, applied for a capital grant and long-term financing to install a combined heat and power (CHP) unit. Construction is estimated to begin in March 2007 and the targeted in-service date is April 2008. The proposed generators' nameplate capacity is 59,892 kW by utilizing a 49,447 kW gas turbine and a 10,445 kW steam turbine. Parasitic loads total 1,460 kW. The new generating system will supply all of ACB's internal power electrical needs of 7,550 kW at its Ansonia facility plus 2,000 kW of additional load which will be transferred from its facility in Waterbury. Late Filed Exhibit No. 4. ACB will sell the remaining output to UI or third parties.

ACB will use the plant waste heat in its manufacturing processes and for heating and cooling. Application, Section C. The facility will run a minimum of 4,850 hours per year with a potential operation up to 8060 hours per year in order to supply 296 GWh. Application, Section C. The annual efficiency is expected to be 54 percent. Tr. 1/9/07, p. 51.

B. GRANT AWARD LEVEL

Under the proposed operation of the facility, the maximum Federally Mandated Congestion Charges (FMCC) that can be avoided by the facility would be the net capacity of the generation which is the nameplate rating of the generation reduced by its parasitic load.

The Application stated that the facility has a nameplate rating of 59,892 kW at 54 degrees Fahrenheit. Because generation output varies inversely with temperature thereby decreasing as temperature increases, the Department determines capital grants based on nameplate ratings under International Organization for Standardization (ISO) conditions which establishes nameplate ratings at 59 degrees Fahrenheit. The ACB witness testified that the projects nameplate rating would decrease by approximately 500 kW at 59 degrees Fahrenheit. Tr. 1/9/07, p. 30. Therefore, the Department considers the nameplate rating of the facility under ISO conditions to be 59,392 kW (59,892 kW – 500 kW). The net capacity of the facility is the 59,392 kW ISO nameplate rating less the 1,460 kW parasitic load which is 57,932 kW.

¹ AW Power Holdings LLC, a subsidiary of ACB, owns 65% of AnGen and Sasco River Advisors LLC owns 35% of AnGen. Late Filed Exhibit No. 3.

ACB did not claim any thermal use for air conditioning that would replace electric air conditioning load and result in an offset to parasitic use and affect the level of net capacity. The capital grant amount of \$26,069,400 for base load is determined by multiplying the generation net capacity by \$450/kW $\{((59,392 - 1460) \text{ kW/unit} * \$450/\text{kW}) = \$26,069,400\}$.

The project is located in Southwest Connecticut; therefore, it is eligible for the \$50/kW locational supplement. The capital grant amount for locational supplement is determined by multiplying the generation net capacity by the \$50/kW as indicated in Docket No. 05-07-17 $((59,392 - 1460) \text{ kW} * \$50/\text{kW} = \$2,896,600)$. The total capital grant is the sum of the base load grant and the locational supplement grant which is equal to \$28,966,000. The new plant must be in operation no later than April 30, 2008 to receive the \$50/kW SWCT locational grant.

The grant approved is based on ACB operating a base load generation unit. In Docket No. 05-07-17, the Department established the \$450/kW grant amount based on full operation from 12:00 PM to 8:00 PM, Monday through Friday during the two winter months of January and February and the four summer months of June through September. ACB testified that it will operate during all the required hours. Application, Section C. ACB shall inform the Department of any changes in operation and construction of its proposed facility. If the proposed operation changes during the construction phase, the DPUC will adjust the grant accordingly.

This one-time non-recurring grant will be available to ACB for 3 years from the date of this decision. If, for any reason, the project has not become operational within 3 years of the date of this decision, the grant will be subject to changes or revocation based on the current level of grants at the time of the project's in-service date.

C. ELECTRIC SYSTEM UPGRADES

ACB testified that the Ansonia property abuts a 115 kVA UI substation, and installation of this generation system would require no new substation construction. Tr. 1/9/07, p. 20. ACB may require one or two towers for overhead transmission lines to upgrade existing lines on ACB property. AnGen will pay for the new line. Tr. 1/9/07, pp. 37-39.

The OCC expressed a concern over issues related to transmission line upgrades. OCC Brief, p. 3, Tr.1/9/07, pp. 137-138. The Department will require ACB to file a copy of the ISO-NE interconnection study, including ISO's estimate of the costs for system upgrades and interconnection to the grid. Due to the size of the facility, an ISO-NE interconnection study is required by ISO-NE to determine the impact on transmission equipment and settings. Response to Interrogatory EL-11 and 12. The interconnection study is estimated to be completed in July 2007 and will identify transmission system upgrades and estimated costs. ACB estimates the interconnection cost will be in the range of \$1 to \$2 million which includes the cost to upgrade a 115 kV transmission line and connect to the ACB substation. Tr. 1/9/07, pp. 94-95. ACB will be responsible for all costs of transmission system upgrades required for its interconnection to the grid. Response to Interrogatory EL-12.

D. CAPACITY RIGHTS

UI believes that the forward capacity market is extremely complicated. Since the owner will be in control of the facility and the equipment, it is important that the owner is the one who registers his capacity with ISO-NE and enters it into the market. The owner should be responsible for extracting the capacity value for its generator from ISO-NE. UI stated that it does not want to be involved in the customer's operation. Tr. 1/9/07, pp. 130.

CHP projects that are sized to a customer's load reduce demand and provide a direct capacity benefit to all customers. This project however, is sized much larger than ACB's load and ACB will have to bid into the capacity market to receive capacity payments for any excess capacity above its load.

The Department will require that ACB enter into a contractual agreement between itself and UI under which it will turn over the 57,932 (59,392 - 1460) kW capacity rights and/or capacity payments by ISO-NE to UI for fifteen years from the date the facility begins operation in order for the capacity benefits to be returned to ratepayers.

In order to ensure that customers receive the full value of ACB's excess capacity for the full 15 years, the Department shall also require that the term of the surety bond is 15 years.

E. LONG-TERM FINANCING

ACB indicated a desire to apply for Banc of America financing for \$74,300,000 over ten years to finance the total cost of the proposed project. Application p. 1, Attachment B-2. ACB testified that they will need funding for the cost of the project during the construction period. Tr. 1/9/07, p. 62.

ACB claims that the Facility, and AnGen as the owner of the facility, should be the recipient of the financing pursuant to Section 9 of the Act which is not restricted to retail end use customers as Section 8 of the Act regarding capital grants is. ACB Brief, p 6. ACB states that project financing is normally provided to single purpose entity that owns the project assets to ensure that the lender has direct access to the project's collateral and insulates the owner from external liabilities. Id.

ACB believes that the financing subsidy should be available for the total costs of the project. ACB claims that neither the Act nor any Department decision has ever dealt with the relationship between the capital grant and long-term financing. Id. p. 7. ACB believes that there is no statutory basis for the amount of the capital grant and the total project finance level being dependent of each other. Id, p. 8.

UI believes the Department should continue to permit financial subsidies for project costs net of the capital grant award. Tr. 1/9/07, p. 122. The customer may seek financing for the remainder of its costs from other sources. UI Brief, p. 2.

The Department agrees with UI's position that the project cost is subsidized through the combination of the capital grant and subsidized interest for a long-term loan. Although only the interest is subsidized for the long-term loan, the total financing allowed for a DG project with subsidized interest will be limited to the cost of the project less the grant award. The Department believes that the recipient of the grant and the borrower of the long-term subsidized loan must be the same entity which would be the retail electric customer who is the applicant for the grant. Since the project is new generation less than 65 MW in size, reduces peak load, begins operation after January 1, 2006, and is in UI territory, the Department finds that ACB is eligible for long-term financing up to \$45,334,000, which is the total cost of the project less the total grant award.

F. NATURAL GAS REBATE

ACB raised a concern that the gas rebate would be limited to only the customer's own electric and thermal use and not for the total gas supply to the DG facility. ACB Brief, p.8. ABC states that there is no statutory or regulatory basis to restrict the Section 11 rebate to own-use gas as total gas supply use was not restricted in the Decision in Docket 06-10-19, Application Of Kimberly-Clark Corporation For A Capital Grant And Financing For Customer-Side Distributed Generation Resources, dated January 17, 2007. ACB Brief, p. 8. ACB testified that Yankee Gas Company has a gas compression station in Ansonia and an abundant supply of natural gas at appropriate pressures exist curbside to the Ansonia property. Tr. 1/9/07, p. 20. UI believes that the gas rebate be limited to the greater of the thermal or electric load of the facility being severed. Tr. 1/9/07, p. 126.

The Department believes that the natural gas rebate should be applied to the level of gas supply required for the FMCC's avoided by the facility which is the gas supply needed to generate the grant level capacity and the DG facility's thermal production. Therefore, the ACB gas rebate will apply to the gas supply required to generate its 57,932 kW output and associate CHP thermal production during its first 15 years of operation provided the facility operates with a minimum 85% capacity factor during the six peak months listed above to receive a 100% gas rebate. If the required 85% monthly capacity factor is not achieved, the annual rebate will be pro-rated based on the actual capacity factors for the six peak months.

III. CONCLUSION AND ORDERS

A. CONCLUSION

Based on the evidence presented, the Department concludes that ACB's project will reduce FMCC and is therefore eligible for a customer-side distributed generation capital grant in the amount of \$28,966,000. The ACB project is also eligible for subsidized long-term financing in the amount of \$45,344,000. The capital grant is subject to ACB complying with the Orders in this Decision. Upon compliance with the Orders below, the Department will issue correspondence indicating that ACB has complied with the Orders and authorizing the Electric Distribution Company (EDC) to issue the capital grant.

G. ORDERS

1. At the time the project becomes operational and no later than 3 years from the date of this Decision, ACB must submit to the Department a letter of credit or surety bond issued by a creditworthy financial institution in the amount of \$14,483,000 for a term of fifteen years that will decrease annually by 6.67%. Such security shall name the State of Connecticut Department of Public Utility Control as Obligee.
2. ACB must certify that the project was constructed and will operate as proposed in its Application for a minimum period of fifteen years at the end-use customer's site. Further it will demonstrate that its project is operational by submitting an affidavit that it has completed final acceptance of the applicable EDC interconnection process, including satisfactory commissioning testing, and is operational.
3. ACB should contact Banc of America to arrange long-term financing for the project.
4. ACB must report to the Department any and all modifications, upgrades, long term outages, or termination of the unit's operation
5. ACB must file a copy of the contractual agreement with UI to transfer capacity rights and/or capacity payments to UI.
6. ACB must file a copy of the ISO-NE interconnection study, including ISO's estimate of the costs for system upgrades and interconnection to the grid within 30 days of the study's issuance date.

**DOCKET NO. 06-11-08 APPLICATION OF ANSONIA COPPER & BRASS, INC.
FOR A CAPITAL GRANT AND FINANCING FOR
CUSTOMER-SIDE DISTRIBUTED GENERATION
RESOURCES**

This Decision is adopted by the following Commissioners:

Anthony J. Palermino

Donald W. Downes

John W. Betkoski, III

CERTIFICATE OF SERVICE

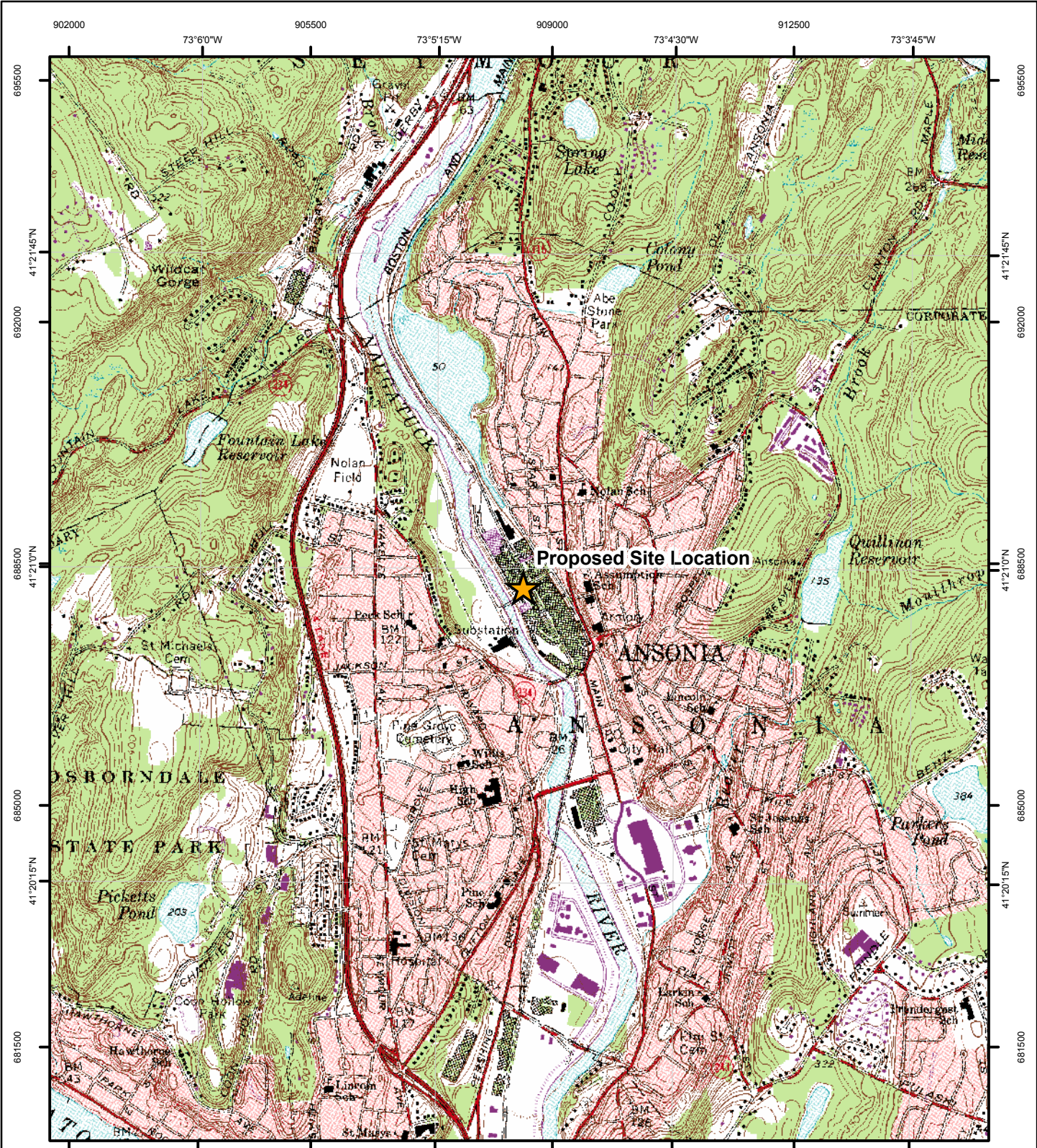
The foregoing is a true and correct copy of the Decision issued by the Department of Public Utility Control, State of Connecticut, and was forwarded by Certified Mail to all parties of record in this proceeding on the date indicated.

Louise E. Rickard
Acting Executive Secretary
Department of Public Utility Control

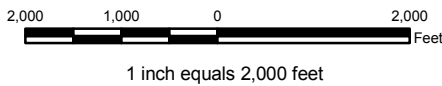
Date

EXHIBIT 4

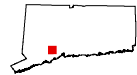
Site Topographic Map



Reference:
 Ansonia (Revised 1984), & LongHill
 (Revised 1984) USGS 7.5" Topo Quads



NAD 1983 StatePlane Connecticut
 FIPS 0600 Feet
 Projection: Lambert Conformal Conic
 False Easting: 999999.999996
 False Northing: 499999.999998
 Central Meridian: -72.750000
 Standard Parallel 1: 41.200000
 Standard Parallel 2: 41.836667
 Latitude Of Origin: 40.833333
 Linear Unit: Foot US



Quadrangle Location



335 Commerce Drive, Suite 300
 Fort Washington, PA 19034
 Phone: (215) 367-2500 Fax: (215) 367-1000

Job: 19997229
 Prepared by: BAB
 Checked by: MD
 Date: 03-08-2007

ANSONIA CHP PROJECT
 SITE TOPOGRAPHIC MAP
 75 LIBERTY STREET
 ANSONIA, CONNECTICUT

FIGURE 1

EXHIBIT 5

Proposed Layout

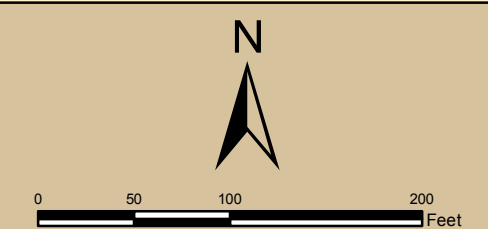


Legend	
	Substation
	Existing 13.8kV Connection
	New 115kV Connection
	Existing 115 kV Transmission
	Nearby Roads
	Hydrology
	Buildings
	Proposed Plant
	LM6000 - Gas Turbine
	HRSG - Heat Recovery Steam Generator
	STG - Steam Turbine Generator

Ansonia Generation LLC 75 Liberty Street Ansonia CHP Project Proposed Layout

URS Corporation
January 2006
Source: Custom URS Data
UCONN CLEAR 2004 Imagery
PennWell MapSearch Utility Data
Created in ArcGIS 9 using ArcMap

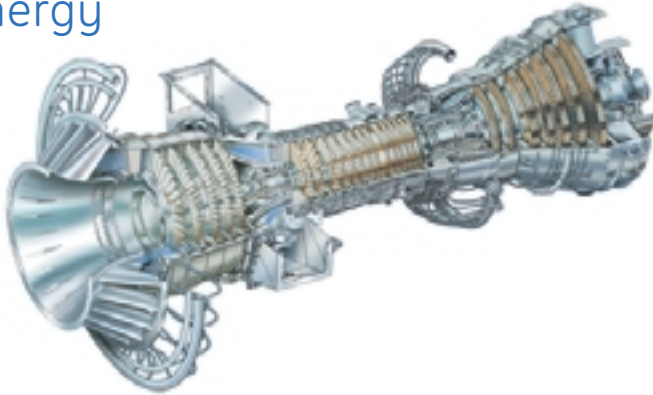
NAD 1983 StatePlane Connecticut
FIPS 0600 Feet
Projection: Lambert Conformal Conic
False Easting: 999999.999996
False Northing: 499999.999998
Central Meridian: -72.750000
Standard Parallel 1: 41.200000
Standard Parallel 2: 41.866667
Latitude Of Origin: 40.833333



URS

EXHIBIT 6

General Electric LM6000 Gas Turbine Product Sheet



LM6000 Gas Turbine (60Hz)

TECHNOLOGY

The LM6000 is an aeroderivative power generating gas turbine with thermal efficiencies in excess of 43.5%.

- Baseload Power Capabilities of 43 – 50 MW ISO
- Excellent Fast Start Capability; Able to Reach Maximum Power in 10 minutes
- Very Compact Size; Can Be Installed in Less Than 1 Acre
- Direct Drive at 3,600 rpm Output Speed – No Need for Reduction Gearbox
- Demonstrated Reliability and Availability; In Excess of 99% and 98% Respectively
- Lightweight, Modular Design – Easily Maintained and Transported

EXPERIENCE

The LM6000 is based on the CF6-80C2, the predominant engine for Boeing™ 747 and 767 wide-body aircraft, with over 100 million hours of operation.

- Over 590 Power Generation Units Installed Worldwide with More Than Nine Million Operating Hours as of Sept. 2004
- Configurations: Simple-cycle, Cogeneration and Combined-Cycle
- Application Flexibility:
 - Electric Utilities, Municipalities and Independent Power Producers in Peaking and Combined Cycle Installations
 - Industrial Users: Metallurgical Plants, Mining, Pharmaceuticals, Pulp & Paper, Food Processing, Airports, Hospitals and Universities
 - Oil & Gas Users: Refineries, LNG Plants and Offshore Installations

INNOVATION

At GE Energy, we continue to drive innovation throughout the whole gas turbine generator package.

- SPRINT®: (Spray Inter-cooling Technology) Optimal Hot Day Power Enhancement
- 15ppm Dry Low Emissions Technology
- Fuel Flexibility
- VAR Stabilization
- Coal Feedwater Heating

ISO performance based on natural gas with water injection to 25 ppmvd NOx.

	LM 6000-PC	Sprint
Power Output (KWe)	43,600	50,000
Heat Rate LHV (Btu/kWe-Hr)	8,500	8,400
Exhaust Flow (lbs/sec)	284	295
Exhaust Temperature (°F)	792	826
Emissions (ppmvd)	NOx/CO	
Gas or Liquid-DLE (15 ppm)	15/50, 65/25	15/50, 65/25
Gas or Liquid-DLE (25 ppm)	25/25, 134/25	25/25, 104/25
Gas or Liquid-Water	25/26, 42/6	25/32, 42/6
Gas-Steam	25/21	25/25
Power Turbine Speed (rpm)	3,600	3,600
No. of Compressor Stages	19	19
No. of Turbine Stages	7	7

SERVICE

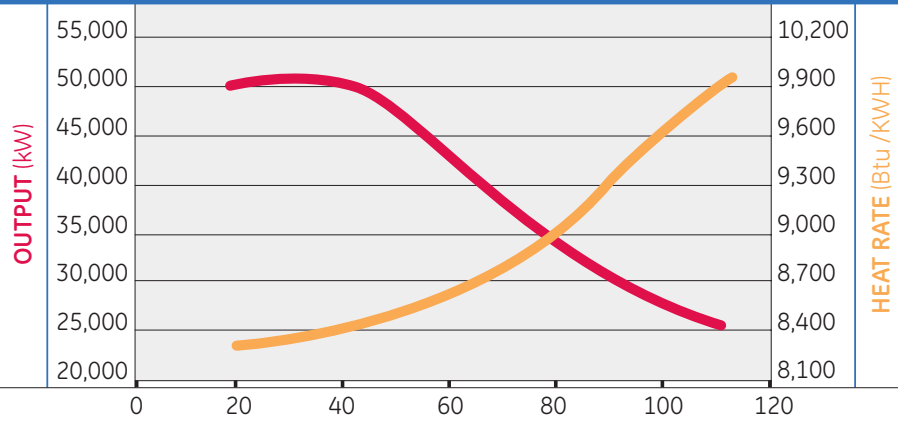
GE Energy is the world's largest aeroderivative service provider, with a global network of field service offices and fully equipped Service Centers. A wide range of products and services are offered for the LM6000 Industrial, Co-generation, and Oil & Gas operators including:

- Level IV Service Centers and overhaul capability in Houston, Texas and Rheden, the Netherlands
- Conversions, Modifications and Upgrades (CM&Us) designed to enhance the efficiency, power output and reliability of the LM6000. Examples include Enhanced Flow and Speed (EFS), Sprint Upgrade, PA-PC/PB-PD Conversions, Dry Low Emissions (DLE) Upgrades and Remote Monitoring and Diagnostics
- Spare or Lease Engine Options
- Engine Exchange Programs
- Rotable Hot Section and Module Exchange Programs
- Wide Variety of Contractual Service Agreements

This comprehensive product offering, combined with our commitment to reduce Service Center and outage turn times, may result in substantial life cycle cost savings for the plant owner/operator.

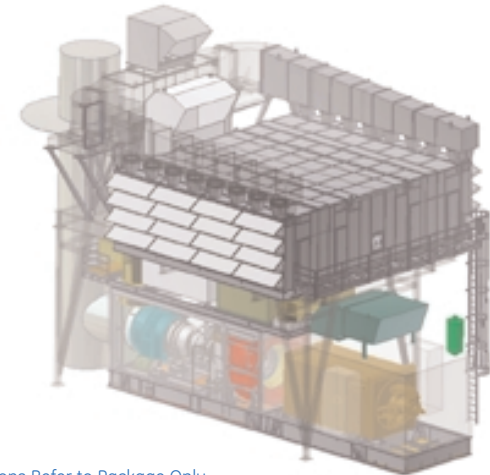


LM6000 60Hz Output and Heat Rate



0 ft, 60% RH, 4/6 in H2O inlet/exhaust loss on natural gas with water injection to 25ppmvd NOx water inj.

AMBIENT (°F)



Dimensions Refer to Package Only

LENGTH 57' x WIDTH 13'6" x HEIGHT 14'6"

STANDARD 60Hz LM6000 GENERATOR PACKAGE

Gas Turbine

- 19 Stage Axial Compressor
 - > 5 Stages Low Pressure and 14 Stages High Pressure
 - > Horizontal Split Casing
 - > 30:1 Compression Ratio
 - > 275 lb/s Nominal Inlet Mass Flow
 - Annular Combustor
 - > 30 Nozzles Gas Fuel, Water Injection for NOx Control
 - Turbine Stages
 - > 2 Stage High Pressure and 5 Stage Low Pressure
- Power Turbine

Generator

- 13.8kV, 0.9PF Continuous Duty
- 2 Pole, 3 Phase, Brushless Exciter
- WPIII Weather Protected
- Voltage Regulator/Neutral Side Protection CT's
- NEMA Class F Insulation & B Temperature Rise
- Integrated Protective Relay Panel

Package

- 24V and 125V DC Batteries
- 85dBA Near Field Design
- Barrier Inlet Air Filters
- 10 Minute Start Capability
- Electro-Hydraulic Start/Shutdown System
- Class I Div 2 Group D Class Electrical System
- Digital Control System with a Human Machine Interface (HMI)
- Lube Oil System with Duplex Shell and Tube coolers
- Turbine Factory Tested to Full Speed, Maximum Power
- On/Off-line Water Wash
- 1 Year Parts/Service Warranty and Remote Monitoring and Diagnostics
- Package Familiarization Training
- Electronically Transmitted Drawings
- Start-up Technical Assistance

OPTIONAL EQUIPMENT AND SERVICES

- SPRINT®
- Generator Options
 - > TEWAC
 - > Voltages: 12.47kV
 - > Enclosure
 - > Fault Protection
 - > Synchronous Condenser
- Fuel System
 - > Liquid
 - Water Injection or DLE
 - > Dual
 - Water Injection or DLE
 - > Gas
 - Water or Steam Injection or DLE
- Control System
 - > Black Start
 - > Continuous Emission Monitoring
 - > Remote Display
 - > Motor Control House
- Lube Oil System
 - > Air to Oil Coolers
 - > First Fill Lubricants
- Winterization
- Remote Monitoring and Diagnostics
- Pulse Air Filter
- 80 dBA Capability
- Inlet Conditioning
 - > Evaporative Cooling
 - > Chilling
 - > Heating



EXHIBIT 7

Draft Location Approval Letter to Ansonia Planning and Zoning Commission

DRAFT

PHILIP M. SMALL
Counselor at Law
direct dial: 860-509-6575
psmall@brownrudnick.com

March , 2007

VIA FEDERAL EXPRESS

Peter W. Crabtree
Zoning Enforcement Officer
City of Ansonia
City Hall
253 Main Street
Ansonia, CT 06401-1866

RE: Ansonia Generation LLC – Location Approval for Electric Generating Facility Pursuant to Section 16-50x(d) of the Connecticut General Statutes

Dear Mr. Crabtree:

On behalf of Ansonia Generation LLC (“AnGen”), we are writing: (i) to describe AnGen’s proposed state-of-the-art natural gas-fired combined heat and power electric generating facility (“Facility”) to be located on Ansonia Copper & Brass, Inc.’s (“ACB”) manufacturing plant site at 75 Liberty Street in Ansonia (the “Site”); (ii) to explain the jurisdiction of the Connecticut Siting Council (the “Council”) over such facilities; (iii) to explain the role provided by Section 16-50x(d) of the Connecticut General Statutes to municipal zoning commissions and inland wetland agencies to review such facilities; and (iv) to provide an opportunity for the Ansonia Planning and Zoning Commission to issue a location approval for the Facility pursuant to Section 16-50x(d).

The Facility will be designed to generate approximately 58.4 megawatts (“MW”) (net) of electricity and approximately 30,000 pounds per hour (“pph”) of steam. The Facility is expected to serve the entire on-Site steam and electricity loads. The balance of the electricity generated by the Facility will be exported to the grid. The Facility is expected to allow ACB to better control the energy costs associated with its manufacturing operations. Further, the availability of relatively low-cost steam and electricity from the Facility should allow ACB to consolidate its Waterbury, Connecticut manufacturing operations at the Site and to attract other manufacturing businesses to the Site.

The Facility will also provide also significant benefits to the Southwest Connecticut transmission system. Enclosed is a copy of AnGen’s Petition for Declaratory Ruling to the Council, which is being filed today. As described in the Petition, the benefits of the Facility have been recognized by the Connecticut Department of Public Utility Control and The United Illuminating Company (“UI”).

The Facility will include: (i) a highly efficient General Electric LM6000 combustion turbine, a heat recovery steam generator with selective catalytic reduction and carbon monoxide catalyst equipment for emissions control, a nominal 12.5-MW induction-extraction condensing steam turbine capable of exporting 30,000 pph process steam, and associated equipment; (ii) an approximately 30-foot by 30-foot switchyard; and (iii) a 1/4-mile 115-kilovolt (“kV”) transmission line tap to UI’s

existing 115-kV Ansonia Substation. The Petition describes the Facility in greater detail and shows the locations of the various components of the Facility at the Site.

The Council has jurisdiction over the AnGen Facility because it is as an electric generating “facility” as defined in Conn. Gen. Stat. § 16-50i(a)(3). Conn. Gen. Stat. § 16-50x(a) provides in relevant part that “the [C]ouncil shall have exclusive jurisdiction over the location and type of facilities and over the location and type of modifications of facilities subject to the provisions of subsection (d) of this section.” See *Westport v. Conn. Siting Council*, 47 Conn. Supp. 382, 396 (2001) (“Under the provisions of General Statutes §16-50x(a), the council has ‘exclusive jurisdiction over the location and type’ of certain statutorily defined facilities.”), *aff’d per curiam*, 260 Conn. 266 (2002); see also *Preston v. Conn. Siting Council*, 20 Conn. App. 474, 485 (1990).

Section 16-50x(d) provides that a “zoning commission and inland wetland agency may regulate and restrict the proposed location of a facility as defined in subdivisions (3) and (4) of subsection (a) of section 16-50i.” In so doing, the local commission or agency acts as a special agency of the State, applying general state policy standards involving the balancing of the statewide need for the facility against its local impacts. See *Wilson Point Property Owners Ass’n v. Conn. Light & Power Co.*, 145 Conn. 243, 248-49 (1958) (interpreting virtually identical language in Conn. Gen. Stat. § 16-235); see also *Jennings v. Conn. Light & Power Co.*, 140 Conn. 650, 668-70 (1954); *Preston*, 20 Conn. App. at 484-86.¹

Although zoning regulations per se do not apply to facilities such as the AnGen Facility, see *Wilson Point*, 145 Conn. at 248-49, we note that the Facility would be located in a Heavy Industrial District and would serve as an accessory use to ACB’s on-Site manufacturing operations.

Please contact me if you have any questions or require further information.

Very truly yours,

BROWN RUDNICK BERLACK ISRAELS LLP

Philip M. Small

Enclosure

¹ The *Jennings* and *Wilson Point* decisions interpreted Conn. Gen. Stat. § 16-235, which provides that municipal zoning commissions and inland wetland agencies “may . . . regulate and restrict the proposed location” of certain designated facilities. Citing *Jennings* and *Wilson Point*, the Connecticut Appellate Court in *Preston* found that:

[T]he operative language of General Statutes § 16-50x(d), regarding the function of the council in reviewing local zoning decisions, is virtually identical to the language of General Statutes § 16-235, which governs the similar function of the department of public utility control (DPUC) in reviewing local zoning decisions affecting other public utility facilities. That power of the DPUC has been held to give the DPUC broad authority to override local zoning decisions The identical language of § 16-50x (d) should be similarly construed.

Preston, 20 Conn. App. at 486 (citations omitted).

EXHIBIT 8

Water Flow Diagram

Ansonia CHP
 General Electric LM 6000
 Water Flow Diagram at 54 °F and 30,000 pph process flow

