

Daniel F. Caruso
Chairman

STATE OF CONNECTICUT
CONNECTICUT SITING COUNCIL

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October 4, 2007

TO: Council Members

FROM: S. Derek Phelps, Executive Director

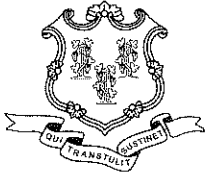
RE: **DOCKET NO. 346** - Implementation of Section 8 and Section 54 of Public Act No. 07-242 An Act Concerning Electricity and Energy Efficiency.

Enclosed please find a copy of the Council's notice of public hearing.

SDP/laf

Enclosure (1)

c: Secretary of the State
Robert L. Marconi, Assistant Attorney General
Parties and Intervenors (Forecast Proceeding List)
Ginger Teubner, DPUC



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HEARING NOTICE

Pursuant to provisions of General Statutes § 16-50m and Section 16-50j-21 of the Regulations of Connecticut State Agencies, notice is hereby given that the Connecticut Siting Council (Council) will conduct a public hearing on Wednesday, November 7, 2007, beginning at 2:00 p.m., and continued at 6:30 p.m., at Hearing Room Two, Ten Franklin Square, New Britain, Connecticut, (860) 827-2935 and thereafter as necessary. The hearing will be held pursuant to Public Act 07-242, An Act Concerning Electricity and Energy Efficiency, Sections 8 and 54.

The purpose of the hearing is to hear evidence of any party with contentions that, pursuant to Section 54 of Public Act 07-242, (C.G.S. § 16a-7c(b), as amended), the Connecticut Siting Council (CSC) and the Department of Public Utility Control (DPUC) may act to exempt certain facilities from the request for proposal (RFP) process (administered by the Connecticut Energy Advisory Board (CEAB)) and municipal participation fee requirements.

Section 54 of Public Act 07-242 reads in relevant part:

“Any facility generating not more than five megawatts and any electric transmission line, electric generation facility, or electric substation otherwise constituting a facility as described in subsection (a) of section 16-50i that, as part of the proceeding conducted pursuant to section 8 of this act and in accordance with this subsection, shall be determined by the Connecticut Siting Council and the Department of Public Utility Control to be required for the reliability of electric supply to critical national defense and homeland security infrastructure shall be exempt from the request for proposal process described in this subsection and exempt from the municipal participation fee requirements of subdivision (1) subsection (a) of section 16-50l, as amended by this act. Such determination shall be made on or before December 31, 2007.”

The hearing is held in conjunction with Section 8 of Public Act 07-242, which reads, "Not later than September 1, 2007, the Connecticut Siting Council, in consultation with the Emergency Management and Homeland Security Coordinating Council, established pursuant to section 28-1b of the general statutes, and the Department of Public Utility Control shall initiate a contested case proceeding, in accordance with the provisions of chapter 54 of the general statutes, to investigate energy security with regard to the siting of electric generating facilities and transmission facilities, including consideration of planning, preparedness, response and recovery capabilities. The Connecticut Siting Council may conduct such proceedings in an executive session with sensitive information submitted under a protective order." Hearings in relation to Section 8 and Section 54 of Public Act 07-242 are under a single docket number, 346.

This hearing session will provide parties, and intervenors an opportunity to cross-examine positions and offer rebuttal evidence. The Council will also welcome post hearing briefs.

Applicable law for this proceeding includes the Public Utility Environmental Standards Act, General Statutes § 16-50g, et seq., and Sections 16-50j-1 through 16-50v-1a of the Regulations of Connecticut State Agencies.

The Council will hold a pre-hearing conference on procedural matters on Monday, October 15, 2007, beginning at 10:00 a.m. at the Council's office, 10 Franklin Square, New Britain, Connecticut.

Any person seeking to be named or admitted as a party or intervenor to the proceeding may file a written request to be so designated at the office of the Connecticut Siting Council, 10 Franklin Square, New Britain, Connecticut 06051, on or before Wednesday, October 31, 2007.

All testimony and exhibits must be pre-filed with the Council and all parties and intervenors by Wednesday, October 31, 2007. In accordance with the State Solid Waste Management Plan, the Council requests that all filings be submitted on recyclable paper, primarily regular weight white office paper. Please avoid using heavy stock paper, colored paper, and metal or plastic binders and separators.

Individuals are encouraged to participate through their elected officials, and other party/intervenor groupings.

Parties and intervenors will be allowed to submit briefs and proposed findings of fact within 30 days after the close of the hearing.

Any person who is not a party or intervenor to this proceeding may file a written statement with the Council at the hearing or any time up to 30 days thereafter. Such statements will become part of the record. No written statement or any other material, evidence, or other information will be accepted from any person not a party or intervenor to the proceeding after 30 days following the close of the hearing, except as otherwise prescribed by law or the Council.

Requests for information in alternative formats or for sign-language interpreter services must be submitted in writing by Monday, October 29, 2007.

The record of this proceeding is available for public inspection at the office of the Council, 10 Franklin Square, New Britain, Connecticut 06051. The Council has assigned this application docket no. 346.

October 4, 2007

Connecticut Siting Council

Public Act 07-242 (relevant sections)

Sec. 8. (NEW) (Effective from passage) Not later than September 1, 2007, the Connecticut Siting Council, in consultation with the Emergency Management and Homeland Security Coordinating Council, established pursuant to section 28-1b of the general statutes, and the Department of Public Utility Control shall initiate a contested case proceeding, in accordance with the provisions of chapter 54 of the general statutes, to investigate energy security with regard to the siting of electric generating facilities and transmission facilities, including consideration of planning, preparedness, response and recovery capabilities. The Connecticut Siting Council may conduct such proceedings in an executive session with sensitive information submitted under a protective order.

Sec. 54. Section 16a-7c of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2007):

(a) Not later than fifteen days after receiving information pursuant to subsection (e) of section 16-501, the Connecticut Energy Advisory Board shall publish such information in one or more newspapers or periodicals, as selected by the board.

(b) On or after December 1, 2004, not later than fifteen days after the filing of an application pursuant to subdivision (1) of subsection (a) of section 16-50i, except for an application for a facility described in subdivision (5) or (6) of subsection (a) of section 16-50i, the Connecticut Energy Advisory Board shall issue a request-for-proposal to seek alternative solutions to the need that will be addressed by the proposed facility in such application. Such request-for-proposal shall, where relevant, solicit proposals that include distributed generation or energy efficiency measures. The board shall publish such request-for-proposal in one or more newspapers or periodicals, as selected by the board. Any facility generating not more than five megawatts and any electric transmission line, electric generation facility or electric substation otherwise constituting a facility as described in subsection (a) of section 16-50i that, as part of the proceeding conducted pursuant to section 8 of this act and in accordance with this subsection, shall be determined by the Connecticut Siting Council and the Department of Public Utility Control to be required for the reliability of electric supply to critical national defense and homeland security infrastructure shall be exempt from the request for proposal process described in this subsection and exempt from the municipal participation fee requirements of subdivision (1) of subsection (a) of section 16-501, as amended by this act. Such determination shall be made on or before December 31, 2007. Notwithstanding the provisions of this subsection, the board, by a vote of two-thirds of the members present and voting, may determine that a request for proposal is unnecessary for a specific application because the process is not likely to result in a reasonable alternative to the proposed facility. On or before December 1, 2007, after seeking public comment, the board shall approve additional criteria for considering whether a request for proposal process should not be required for a specific application. Any determination that a request-for-proposal is not required shall include the board's reasons for such determination.

(c) The board may issue a request-for-proposal for solutions to a need for new energy resources, new energy transmission facilities in the state, and new energy conservation initiatives in the state identified [in the annual comprehensive energy report prepared under section 16a-7a or identified] in regional energy system planning processes conducted by the regional independent system operator, as defined in section 16-1, as amended by this act. Such request-for-proposal shall, where relevant, solicit proposals that include distributed generation or energy efficiency measures. The board shall publish such request-for-proposal in one or more newspapers or periodicals, as selected by the board.

(d) Not later than sixty days after the first date of publication of a

request-for-proposal, a person or any legal entity may submit a proposal by filing with the board information as such person or entity may consider relevant to such proposal. The board may request further information from the person or entity that it deems necessary to evaluate the proposal pursuant to subsection (f) of this section.

(e) Upon the submission of a proposal pursuant to a request-for-proposal, the person or entity submitting the proposal shall consult with the municipality in which the facility may be located and with any other municipality that would be required to be served with a copy of an application for such proposal under subdivision (1) of subsection (b) of section 16-501 concerning the proposed and alternative sites of the facility. Such consultation with the municipality shall include, but not be limited to, good faith efforts to meet with the chief elected official of the municipality. At the time of the consultation, the person or entity submitting the proposal shall provide the chief elected official with any technical reports concerning the public need, the site selection process and the environmental effects of the proposed facility. The municipality may conduct public hearings and meetings as it deems necessary for it to advise the person or entity submitting the proposal of its recommendations concerning the proposed facility. Within sixty days of the initial consultation, the municipality shall issue its recommendations to the person or entity submitting the proposal. If a person or entity chooses to file an application pursuant to subdivision (3) of subsection (a) of section 16-501, then such person or entity shall provide to the Connecticut Siting Council a summary of the consultations with the municipality, including all recommendations issued by the municipality. A person or entity that has complied with this subsection shall be exempt from the provisions of subsection (e) of section 16-501.

(f) Not later than forty-five days after the deadline for submissions in response to a request-for-proposal, the board shall issue a report that evaluates each proposal received, including any proposal contained in an application to the council that initiated a request-for-proposal, based on the materials received pursuant to subsection (d) of this section, or information contained in the application, as required by section 16-501, for conformance with the infrastructure criteria guidelines created pursuant to section 6a-7b. The board shall forward the results of such evaluation process to the Connecticut Siting Council.

(g) When evaluating submissions pursuant to subsection (f) of this section for a facility described in subdivision (3) of subsection (a) of section 16-501 that are in excess of sixty-five megawatts, the board shall perform a net energy analysis for each proposal. Such analysis shall include calculations of all embodied energy requirements used in the materials for initial construction of the facility over its projected useful lifetime. The analysis shall be expressed in a dimensionless unit as an energy profit ratio of energy generated by the facility to the calculated net energy expended in plant construction, maintenance and total fuel cycle energy requirements over the projected useful lifetime of the facility. The boundary for both the net energy calculations of the fuel cycle and materials for the facility construction and maintenance shall both be at the point of primary material extraction and include the energy consumed through the entire supply chain to final, but not be limited to, such subsequent steps as transportation, refinement and energy for delivery to the end consumer. The results of said net energy analysis shall be included in the results forwarded to the Connecticut Siting Council pursuant to subsection (f) of this section. For purposes of this subsection, "facility net energy" means the heat energy delivered by the facility contained in a fuel minus the life cycle energy used to produce the facility. "Fuel net energy" means the heat energy contained in a fuel minus the energy used to extract the fuel from the environment, refine it to a socially useful state and deliver it to consumers, and "embodied energy" means the total energy used to build and maintain a process, expressed in calorie equivalents of one type of energy.