STATE OF CONNECTICUT

CONNECTICUT SITING COUNCIL

10 Franklin Square
New Britain, Connecticut 06051
Phone: (860) 827-2935
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October 1, 1996

Certified Mail/Return Receipt
P 378 030 440

Roger E. Koontz, Esq.
Silverstone & Koontz, P.C.
Attorneys at Law
227 Lawrence Street
Hartford, CT 06106

RE: **PETITION NO. 360** - Minnesota Methane, L.L.C. petition that no Certificate of Environmental Compatibility and Public Need is required for the siting of a 1630 kW electric generating unit to be powered by landfill gas located adjacent to the Town of Manchester Landfill in Manchester, Connecticut.

Dear Attorney Koontz:

At a public meeting held on September 30, 1996, the Connecticut Siting Council (Council) considered and ruled that the proposed siting of a 1630 kilowatt (kW) topping-cycle cogeneration facility, two 815 kW engines fueled by landfill gas, to be located adjacent to the Manchester landfill in Manchester, Connecticut, would not be a facility pursuant to General Statutes § 16-50i(a)(3) and would not require a Certificate of Environmental Compatibility and Public Need.

This decision applies only to Petition No. 360 and is not applicable to any other modification or construction. All work is to be implemented as specified in the petition, dated September 13, 1996. Please notify the Council upon completion of construction.

Enclosed for your information is a copy of the staff report on this project.

Very truly yours,

Mortimer A. Gelston

Mortimer A. Gelston
Chairman

MAG/ss

Enclosure (1): Staff Report dated September 30, 1996

c: Honorable Stephen T. Cassano, Mayor of Manchester
Richard J. Sartor, General Manager, Town of Manchester

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Petition No. 360
Minnesota Methane, L.L.C.
Landfill Gas Facility
Manchester, Connecticut
Staff Report
September 30, 1996

On September 25, 1996, Connecticut Siting Council (Council) members Colin C. Tait and Brian J. Emerick, and Fred Cunliffe and Joel Rinebold of Council staff met with Richard Wagner and Gary Beers of National Energy Resource Corporation, and Roger Koontz, Esq. at the proposed project site for a landfill gas recovery facility located adjacent to the Town of Manchester landfill.

Minnesota Methane L.L.C. (Minnesota Methane) is comprised of two entities, Ziegler Energy Incorporated (Ziegler) and National Energy Resource Corporation (National Energy). Both companies have a 50 percent interest in ownership. Ziegler is not a public service company nor a holding company that controls a public service company, a subsidiary of a public service or holding company, or an entity which consents to be regulated as a public service or holding company. National Energy is an unregulated subsidiary of Northern States Power Company, a Minnesota Public Service Company.

Minnesota Methane proposes to construct a landfill gas recovery facility (facility) and install a gas collection system at the Manchester Landfill off Olcott Road in the Town of Manchester, Connecticut. Minnesota Methane would own and operate the facility. The Town of Manchester owns and operates the landfill which will continue to operate as an active landfill, permitted beyond the year 2000. The facility would consist of two caterpillar Model 3516 reciprocating internal combustion engine generator sets housed within a building. Each engine generator would have a nameplate rating of 815 kilowatts (kW) for a total capacity of 1,630 kW or 1.63 megawatts. These engines would be solely fueled with landfill gas, which is derived by the decomposition of municipal solid waste. Up to 1300 kW of electricity generated by the facility would be sold to the Connecticut Light and Power Company. The balance of the power generated would be used at the Manchester Waste Water Treatment Facility. The capturable exhaust heat from the facility would be used to provide thermal energy to the Town of Manchester Department of Public Works (DPW) complex; namely, the waste water treatment facility, sewage sludge digester, maintenance garage, and the highway department offices.

Minnesota Methane would operate the proposed project as a topping-cycle cogeneration facility. The engines would generate approximately 4 million btu/hour. The Town DPW complex load averages approximately 1 million btu/hour and peaks at 2.5 million btu/hour during cold days. A hot water loop system comprising of over 2,000 feet of piping installed underground would be connected to new heat exchangers placed adjacent to boilers within DPW complex buildings. The proposed facility's ratio of useful thermal energy output to total energy output would be approximately 16.5 percent which exceeds the Public Utility Regulatory Policies Act of 1978 cogeneration operating threshold standard of 5 percent.

The proposed facility would be the primary supplier of thermal energy to the Town DPW complex. The existing heating system of boilers and hot-air heaters fueled by natural gas and number 2 fuel oil would be kept in place as secondary facilities. The Town presently spends approximately $90,000 annually on heating fuel. The proposed project would provide an approximate 50 percent savings to the Town for heating fuel expenditures at the Town DPW complex.

Minnesota Methane applied to the Department of Environmental Protection in May 1996 for an air emission permit. No decision has been rendered.

Minnesota Methane contends that the proposed electric generating plant would be a topping-cycle cogeneration facility and would not be included within the definition of a "facility" pursuant to General Statutes § 16-50i because its plant is: "(i) owned and operated by a private power producer, as defined in section 16-243b, (ii) which is a qualifying small power production facility or a qualifying cogeneration facility under the Public Utility Regulatory Policies Act of 1978, as amended, or a facility determined by the council to be primarily for a producer's own use and (iii) which has, in the case of a facility utilizing renewable energy sources, a generating capacity of one megawatt of electricity or less and, in the case of a facility utilizing cogeneration technology, a generating capacity of twenty-five megawatts of electricity or less."

Minnesota Methane respectfully requests the Council rule that no Certificate of Environmental Compatibility and Public Need is required.

Fred Cunliffe
Siting Analyst