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August 13, 2012

Mr. Robert Stein
Connecticut Siting Council
10 Franklin Square
New Britain, CT 06051

RECEIVED
AUG 13 2012
CONNECTICUT
SITING COUNCIL

Re: Docket No. CSC 424 - Interstate Reliability Project

Dear Mr. Stein:

This letter provides the response to requests for the information listed below.

Response to CSC-03 Interrogatories dated 07/30/2012
CSC-042, 043, 044

Very truly yours,

Robert Carberry / +

Robert Carberry
Manager
Siting and Permitting
NUSCO
As Agent for CL&P

cc: Service List

The Connecticut Light and Power Company
Docket No. CSC 424

Data Request CSC-03
Dated: 07/30/2012
Q-CSC-042
Page 1 of 1

Witness: CL&P Panel
Request from: Connecticut Siting Council

Question:

Does CL&P intend to sell a portion of its assets created in the Connecticut portion of the Interstate Reliability Project to The United Illuminating Company, if the project is approved?

Response:

Yes. CL&P will sell a portion of these assets to UI under an agreement that CL&P and UI entered into in 2010 (Agreement). This agreement provides UI a right to invest in the Connecticut portion of the NEEWS projects (CT-NEEWS), including the Interstate Reliability Project. The Agreement was reviewed and approved by the CT DPUC (now PURA) and FERC. If the Interstate Reliability Project is approved and constructed, and if UI then elects to invest in the Connecticut portion of the project, CL&P will transfer to UI certain project assets for a defined consideration, all as detailed in the Agreement.

The Connecticut Light and Power Company
Docket No. CSC 424

Data Request CSC-03
Dated: 07/30/2012
Q-CSC-043
Page 1 of 1

Witness: CL&P Panel
Request from: Connecticut Siting Council

Question:

If there is an intention to purchase a portion of the proposed project, please explain the rationale for determining the location of ownership of specific portions of the project.

Response:

The parties agreed that the NEEWS assets to be sold to UI should be as self-contained as possible in order to facilitate tracking the costs of the assets, accounting for capital replacements and future upgrades, and allocating ongoing maintenance responsibility. Overhead line assets, comprising distinct units of property, were determined to be better candidates for inclusion than components such as substations, which for the NEEWS Projects involve a mix of new and existing assets. Finally, only facilities that are not constructed along or across a public highway are eligible for transfer. This provision was inserted from an abundance of caution recognizing that UI's charter rights to occupy public ways outside of its service territory might possibly be claimed to be insufficient as applied to these assets.

The Connecticut Light and Power Company
Docket No. CSC 424

Data Request CSC-03
Dated: 07/30/2012
Q-CSC-044
Page 1 of 1

Witness: CL&P Panel
Request from: Connecticut Siting Council

Question:

Please explain the genesis for CL&P to sell certain transmission assets attributed to the New England East-West Solutions transmission grid.

Response:

The successful close collaboration of CL&P and UI on the Middletown to Norwalk project and in their contributions to the draft Integrated Resource Plan caused both companies to become interested in continuing to work together on the NEEWS project to develop a safe, reliable, cost-based transmission system to meet the needs of their customers and the New England region. This joint development also responds to FERC's encouragement of such cooperative efforts. (See Promoting Transmission Investment through Pricing Reform, Order No. 679-A, Docket No. RM06-4-001, December 22, 2006.)