

**STATE OF CONNECTICUT
SITING COUNCIL**

Connecticut Siting Council	:	Docket No. F-2008
Review Of The Ten-Year	:	
Forecast of Connecticut Loads	:	August 14, 2008
And Resources	:	

**COMMENTS OF THE CONNECTICUT ENERGY ADVISORY BOARD
ON THE CONNECTIUCT SITING COUNCIL'S
FORECAST OF CONNECTICUT LOADS AND RESOURCES
2008 DRAFT REPORT**

I. INTRODUCTION

The Connecticut Energy Advisory Board (“CEAB”) offers these comments to the Connecticut Siting Council (“CSC” or “Council”) on its July 10, 2008 Draft Report on the Ten-Year Forecast of Connecticut Loads and Resources (“Draft Report”).

The CSC’s annual proceeding to review the ten-year forecast of the State’s electric loads and resources is an important part of our collective efforts to address the critical needs of the state’s electric system. The information in the resultant CSC Forecast Report relates directly to the costs Connecticut consumers may ultimately bear. The Report also serves the essential purpose of compiling and assessing reports, studies and information, which is valuable to the CEAB, state agencies and others throughout the year. As a result, it is critical that the CSC Forecast Report portray a consistent picture of future resources and demand for these resources, despite differences in the assumptions about certain resources embedded in the forecasts submitted to the Council by different participants, discussed further below. In addition, in this and ensuing years, it is also important for the information and findings described in the Report be as consistent as reasonably possible with information in the state’s Integrated Resource Plan

(“IRP”), and associated procurement plan, prepared pursuant to Section 51 of Public Act 07-242, An Act Concerning Electricity and Energy Efficiency, (“Section 51”), discussed further below.

With a focus on these two themes, the CEAB offers its observations and recommendations on the Draft Report for the Council’s consideration as it prepares the 2008 Final Report (“Report”). The CEAB’s comments below, which range from substantive to clarifying, are presented consistent with the Draft Report’s subject matter order and structure to facilitate the Siting Council’s review. Among these, the substantive issues the CEAB considers most important are the following:

- **Consistency with Integrated Resource Plan:** Connecticut is in the process of preparing its first annual IRP, and associated procurement plan, pursuant to Section 51 of Public Act 07-242. In short, the IRP requires a review of the state’s energy and capacity resource assessment and a comprehensive plan for the procurement of energy resources. In part, the IRP is to include an assessment of the energy and capacity requirements of customers for the next three, five and ten years, which is coterminous with forecast period examined by the Council in its Report. Another notable provision of the IRP enabling statute is its direction that resource needs be met first through all available energy efficiency and demand reduction resources that are cost-effective, reliable and feasible. This provision, in the CEAB’s view, underscores the importance of the Forecast Report fully identifying any differences in energy efficiency and demand reduction assumptions set forth in the various forecasts submitted to the Council by different participants.

To the extent reasonably achievable over time, the Report should endeavor to reflect data, findings and assumptions in the IRP, or, alternatively, to explain the rationale for any variance on major issues. This year, that goal may not be fully achievable as the IRP is in its first cycle and is in the process of being reviewed by the Department of Public Utility Control (“DPUC”), which has final approval

authority.¹ Next year, the information and assumptions in the IRP as adopted by the DPUC may provide useful guidance on central assumptions for the Council's consideration. At this time, the CEAB notes the importance of consistency by and between the state's various reports and plans, particularly on major issues, and highlights some of the issues in the Draft Report that the CEAB focused on during its review and analysis of the IRP.

- **Retirement Assumptions:** The Draft Report at Table 2 reflects an assumption that no generating units are likely to retire over the forecast period. However, NRG testified that the current projections of revenue in the Forward Capacity Auctions may not suffice to sustain all of its units and that for planning purposes, Connecticut should assume some retirements absent certain conditions.² While there is no evidence of formal retirement announcements in the record of this matter, the CEAB suggests that the Report recognize the need for analysis to better understand whether and to what extent some of the state's generating units are susceptible to retirement due to economic conditions or the impact of future environmental regulations.

- **Conservation and Load Management:** Conservation and Load Management ("C&LM") measures will continue to play an important role in meeting Connecticut's electricity needs during the forecast period. Accordingly, the CEAB believes that it is critical for the Report to recognize that Connecticut Light and Power Company ("CL&P") and the United Illuminating Company ("UI") (together, "the Electric Distribution Companies" or the "EDCs") use varying assumptions, and thus have different expectations, for C&LM programs in their forecasts. In addition, below, the CEAB compares the assumptions used by the EDCs and the assumptions in the Independent System Operator-New England ("ISO-NE") forecast. Given the importance attached to the ISO-NE forecast by

¹ Pursuant to Section 51, the Electric Distribution Companies prepare an Integrated Resource Plan and submit such Plan to the CEAB on January 1. The CEAB reviews, modifies as appropriate, and approves the Plan and submits it to the DPUC for its review, modification as appropriate, approval and implementation. At the time of this writing, the IPR/procurement plan is before the DPUC.

² See, NRG Response to CEAB 25 and 26.

the Draft Report, it is important that C&LM be accounted for correctly in the use of the forecast in the Report's operable capacity analysis.

II. CEAB SECTION BY SECTION COMMENTS ON THE DRAFT REPORT

A. Introduction

The Introduction could be strengthened by providing context for the Report, such as an explanation that the Report represents a compilation and assessment of the forecasts submitted by the ISO-NE for transmission planning purposes, by the EDCs for financial planning purposes, as well as information provided by generators, as supplemented during discovery and a public hearing.

The CEAB also suggests that the Introduction should note the existence of the first IRP process now underway given that the IRP is another source of current forecast and other data that covers the same period as the Report.

B. Forecasting

The CEAB suggests the report combine the "Forecasting" section at page 1 with the "Load" section at page 2 to result in one section entitled "Forecasting Peak Load." As the record suggests, peak load and energy feature different growth paths, and, as the Draft Report observes, planning for peak load is critical. Moreover, much of the substantive discussion in the Draft Report's "Forecasting" section refers to peak load forecasting. The second paragraph, for example, discusses planning for peak loads.

In addition, two clarifying suggestions on the "Forecast" section are as follows:

- The last sentence of the first paragraph in the "Forecast" section could benefit from noting specific factors, such as the size of the home, existence of central air conditioning and pools, and the operation of

certain appliances to explain what the Report means when it says “depending on actual load or demand”

- The second paragraph could benefit if it ended with the following sentence: “Forecasting provides the basis for the review and planning of existing and potential supply and demand resources in order to meet customer’s load requirements.”

C. Load

The Report should make clear that the EDCs’ forecasts differ with respect to which C&LM measures they include. For reference, the CEAB provides a summary of what is included or assumed in CL&P’s and UI’s forecasts in Exhibit 1, below.

Exhibit 1

	50/50 Forecast	90/10 Forecast
CL&P	<ul style="list-style-type: none"> • IRP “Reference” Case Conservation Measures • Distributed Generation 	<ul style="list-style-type: none"> • IRP “Reference” Case Conservation Measures • Distributed Generation
UI	<ul style="list-style-type: none"> • IRP “DSM Focus” Case Conservation Measures • IRP “DSM Focus” Case Load Response Programs • Distributed Generation 	<ul style="list-style-type: none"> • IRP “Base” or “Reference”³ Case Conservation Measures • IRP “Reference” Case Load Response Programs

³ IRP featured two CL&M cases—a reference or base case and a DSM-focus case. As shown in CL&P’s response to CEAB-14, the DSM-focus case features much higher impacts from C&LM programs. UI utilizes the term “base” and CL&P uses the term “reference” to refer to their respective lower-C&LM cases.

Specifically, the CL&P 50/50 forecast *includes* C&LM measures at a level similar to the “reference” or “base” case in the EDC’s IRP filed with the CEAB on January 1, 2008, and Distributed Generation (“DG”) impacts but *excludes* impacts from load response programs (“LRP”).⁴ On the other hand, the UI 50/50 forecast *includes* C&LM measures at a level similar to the DSM focus case shown in the EDC’s IRP and DG impacts, and also *includes* LRP impacts.⁵ Hence, the UI forecast includes a relatively higher (as a percentage of peak load) level of anticipated impact from C&LM measures on energy and peak load forecasts, indicating that if these measures do not produce the anticipated savings, there will be a greater need for generation to meet southwest Connecticut needs.⁶ This is important since UI indicates it is using its peak forecast as the basis for its ten-year transmission plan.⁷ The Report might also note that a decision on which, if any, IRP demand side management scenario the DPUC ultimately adopts and implements is to be determined.⁸ For reference, the CEAB sets forth in Exhibit 2, below, a comparison of the assumption, in Megawatts (“MW”), used for both EDCs.⁹

⁴ See, CL&P Report at 2 and response to CEAB-14.

⁵ See, UI response to CEAB-14.

⁶ It should be noted that the CL&P and UI utilized different forecasts for C&LM impacts in their forecasts of load and resources compared to their assumptions. For example, CL&P assumed 320 MW in 2017 in their forecast but 411 MW in the IRP. UI assumed 291 MW in 2017 in the report and 329 MW in the IRP. In total, the IRP assumptions of C&LM impacts were greater by 129 MW.

⁷ See, UI Forecast at page 5.

⁸ The DPUC should consider the IRP/procurement plan in 120 days, which it received from the CEAB on August 1, 2008.

⁹ CL&P data are from response to CEAB-02. UI data are from responses to CEAB-2, CEAB-15, and CEAB-16. The data in the C&LM column for UI were obtained by summing the responses to CEAB-15 and CEAB-16.

Exhibit 2 – 50/50 Peak Load Forecasts with and without C&LM

	Connecticut Light and Power w/o C&LM	DG	New Non-LRP C&LM	Connecticut Light and Power with C&LM
2008	5396	40	11	5345
2009	5475	43	48	5384
2010	5612	44	89	5479
2011	5730	45	128	5557
2012	5840	45	169	5626
2013	5968	45	209	5714
2014	6071	45	244	5782
2015	6216	45	266	5905
2016	6293	45	293	5955
2017	6391	45	320	6026

	United Illuminating w/o C&LM	DG	New C&LM	United Illuminating with C&LM
2008	1356	8	13	1335
2009	1415	40	40	1335
2010	1516	42	103	1371
2011	1586	42	130	1414
2012	1641	42	162	1437
2013	1689	42	187	1460
2014	1735	42	213	1480
2015	1781	42	239	1500
2016	1830	42	265	1523
2017	1866	42	291	1533

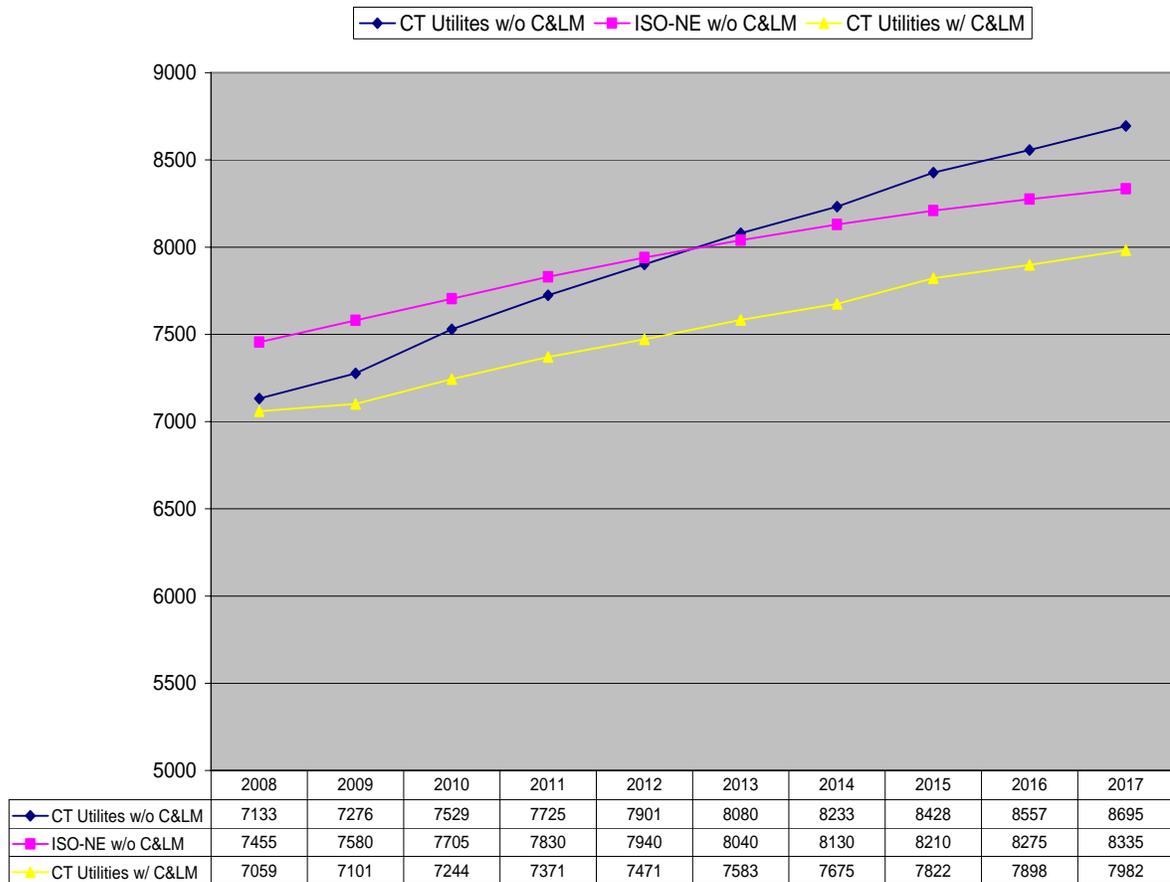
Next, relative to Figure 1b on page 6 of the Draft Report, it would be appropriate to remove the top curve entirely or to replace it with the new data (shown in Exhibit 3 below), which exclude new C&LM and include C&LM impacts from existing programs.¹⁰ The reason this would be proper is that none of the forecasts in the record exclude the impacts from existing programs and measures.¹¹ Thus, it is not necessary to include a curve showing the EDC forecasts with no existing or new C&LM. In addition, the CEAB believes that the top curve shown in Figure 1b “includes” forecasted

¹⁰ The curve represents the sum of the 50/50 Summer peaks without C&LM as provided in CL&P’s and UI’s responses to CEAB-2 and the sum of CMEEC’s 50/50 Summer peak and the C&LM impacts as provided in CMEEC’s report, Table 1 and their response to CSC-1.

¹¹ See, CL&P’s and UI’s responses to CEAB-1 and Transcript at 61.

impacts from historic (pre-2008) programs that are in place only for CL&P, which may double count these impacts, since the impact of existing C&LM measures are embedded in the historical data used to estimate the EDC's forecast models.¹²

Exhibit 3



The last two rows of the data table above replicate the data from Figure 1b in the Draft Report. As the exhibit demonstrates, the ISO-NE's forecast exceeds the EDCs' forecast by about the same amount each year (corresponding to an annual impact, on average, of 429 MW, which is similar to the average annual sum of about 435 MW in assumed impact

¹² We believe that the curve of the CT utilities without C&LM in the Draft Report, Figure 1b, includes the summer

from DG and C&LM reported by CL&P, UI and Connecticut Municipal Electric Energy Cooperative's ("CMEEC"). However, the curve expressing the EDCs' forecasts without C&LM shows that the rate of implementation of C&LM increases from year to year. Thus, the EDCs' are forecasting a much faster rate of growth in underlying peak demand, which requires more resources (both demand and supply) to serve this peak demand the farther out in the forecast period.

Next, the Draft Report at page 6 (below Figure 1b) states that CMEEC does not produce an extreme forecast and therefore, the Draft Report includes CMEEC's normal weather load in the 90/10 forecast. An alternative approach is to use the relationship between the 50/50 and 90/10 ISO forecasts to estimate a 90/10 CMEEC forecast. The CEAB suggests one way to do this in Exhibit 4¹³, below:

Exhibit 4

	ISO-NE 50/50 Peak Load Forecast (A)	ISO-NE 90/10 Peak Load Forecast (B)	Ratio C=(B/A)	CMEEC 50/50 (D)	CMEEC 90/10 (D*C)
2008	7455	7960	1.068	379	404
2009	7580	8105	1.069	382	408
2010	7705	8250	1.071	394	422
2011	7830	8390	1.072	400	428
2012	7940	8515	1.072	408	438
2013	8040	8630	1.073	410	440
2014	8130	8730	1.074	413	444
2015	8210	8815	1.074	417	447
2016	8275	8890	1.074	420	451
2017	8335	8955	1.074	423	455

impact of prior activity data found on p. 16 of CL&P's forecast report.

¹³ Columns A and B were taken from the 2008 CELT Report that was submitted in response to CEAB-30 and Column D was from CMEEC's Report, Table 1.

Next, the Draft Report at page 7 refers to the 90/10 case as “worst-case.” The 90/10 forecasts represent the resulting demand for electric power under extreme weather and economic growth conditions. These extreme conditions need to be considered in establishing the need for resources but since this is a worst case one could, in practice, use more conservative planning guidelines. In addition, the ISO-NE’s 90/10 forecast does not include the impacts of C&LM programs and spending after 2007, while the EDCs’ 90/10 forecast includes these impacts. Hence, a more conservative case would be the EDCs’ 90/10 forecast without C&LM. This case is provided below in Exhibit 5, which removes the C&LM impacts from the EDCs’ forecast data found in Figure 1c of the Draft Report.¹⁴

Exhibit 5

	CT Utilities Peak Extreme Weather	C&LM Impacts	CT Utilities Peak Extreme Weather w/o C&LM
2008	7682	62	7744
2009	7797	116	7913
2010	7972	215	8187
2011	8139	271	8410
2012	8290	329	8619
2013	8436	382	8818
2014	8560	430	8990
2015	8740	465	9205
2016	8849	506	9354
2017	8964	546	9510

These numbers use the CMEEC reference forecast (rather than an estimated 90/10 figure that was described in Exhibit 3). In addition, the C&LM impacts are lower for the 90/10 forecast compared to the 50/50 forecast C&LM impacts, as shown in Exhibit 2, due to UI’s use of different assumptions. For the 90/10 forecast, UI only assumed implementation of C&LM at levels similar to the EDCs’ IRP “DSM reference case”, rather

¹⁴ The first column’s data is taken from Figure 1c of the Draft Report. The second column is the sum of CL&P’s

than the more C&LM-aggressive EDCs' IRP "DSM Focus case" and did not include DG impacts.

One clarifying suggestion in the Load section is as follows:

- The first full paragraph on page 3, which defines the 50/50 forecast, could provide greater clarity by adding the following sentence: "In other words, this forecast would be exceeded, on average, once every two years."

D. Energy

The following are suggested changes to the Energy section of the Draft Report that begins at page 8:

- The title of this section might be more accurately entitled "Forecasting Energy Consumption."
- On page 9, paragraph 2, adding the words "over time" to the end of the first sentence may provide greater clarity, such as, "...energy is the total work done by the electricity **over time**."
- When citing "total electric energy consumption" on page 9 and throughout the report, the Draft should indicate that this term includes losses, in order to distinguish it from sales or total consumption as recorded by customers' meters and featured on customers' bills.
- On page 10, in the first full paragraph, the Report should mention that the ISO-NE forecast also differs from the EDCs'

due to its exclusion of impacts of post-2007 C&LM spending and programs¹⁵.

- On page 11, Figure 2, the Report may be more clear if it did not show historical data, given that there is no explanation for the differences between the EDCs' and ISO-NE's energy numbers.
- The discussion regarding different assumptions for C&LM impacts for the 50/50 peak load forecast also applies to the discussion and data of Figure 2 in the Draft Report. UI assumed more aggressive C&LM savings, hence the reduction in energy requirements.

E. Conservation and Load Management

In the CEAB's view, the Report should include a brief discussion explaining the impacts of the ISO-NE's load response programs as supplementing Connecticut's ratepayer-funded C&LM programs. Reference to the ISO-NE's load response programs is important, particularly in light of the DPUC's Final Decision in Docket No. 07-10-03, DPUC Review of Connecticut Light and Power and United Illuminating Company's Conservation and Load Management Plan for the Year 2008, dated June 19, 2008. Specifically, the DPUC did not approve certain load response programs and directed the EDCs to end recruiting new customers through their load response programs.¹⁶ Load response plays an important role in meeting peak needs and should be discussed in the Report as a distinct C&LM measure.

Next, the Report should identify the source and provide detail concerning the 18.01 cents that appears on page 12 of the Draft Report, at the fourth

¹⁵ See, Transcript at 15.

¹⁶ See, DPUC Final Decision in Docket No. 07-10-03 dated June 19, 2008 at pages 11-12.

full paragraph, concerning the dollar savings estimates. It is unclear whether this figure is for all customers or simply residential customers and for what year. If this figure represents price per kilowatt-hour (“kwh”) paid by customers, it includes some bill components that are not completely avoidable, such as transmission and distribution (“T&D”) costs. While adoption of energy efficiency measures can generate immediate bill savings, T&D may be delayed and thus still required over the long term. Costs that do not vary with the amount of energy delivered or costs that have been incurred in the past will be recovered from ratepayers eventually during the lifetime of the conservation measure.

Finally, the Report’s discussion relative to Figure 3 on page 13 should note that the data shown are not consistent and are not the levels of C&LM assumed in the EDCs 50/50 or 90/10 forecasts shown earlier in the Draft Report in Figures 1b and 1c. The CL&P data in Figure 3 include the impacts of both existing (i.e., prior to 2008) and new C&LM spending and programs, as well as load response. As discussed above, the CL&P forecast does not include load response.¹⁷ The UI data shown in Figure 3 only refers to C&LM measures installed after 2007 (i.e., no existing measures) and corresponds to the levels included in the 90/10 forecast but not the 50/50 forecast.¹⁸ In addition, the Report should make clear whether Figure 3 represents load reductions under 50/50 or 90/10 conditions, since UI made a distinction. Finally, CMEEC load reductions are only for measures installed after 2007.¹⁹

¹⁷ CL&P Response to CEAB-2 and CL&P Report at P. 2.

¹⁸ See, Responses to CEAB-14 and CEAB-16.

¹⁹ See, Response to CSC-1.

F. Project 150

The following corrects a typographical error in relation to Project 150:

- The Report at page 14 notes that renewable projects eligible for long-term contracts with the EDCs in Project 150 have to have received funding from CEEF. This should refer to CCEF, or, the Connecticut Clean Energy Fund.

G. Load/Resource Balance

With respect to Table 2 on page 18 of the Draft Report, starting with the ISO-NE forecast, the CEAB recommends including impacts of C&LM spending and impacts that are certain and/or have been approved. Thus, there would be an adjusted load and reserve calculation (including C&LM). If the Report does not include C&LM in the initial section, the C&LM impacts should be included as a resource, since the ISO-NE's Forward Capacity Market ("FCM") treats demand and supply resources as equally capable of providing operable capacity.

Additionally, Table 2 at page 18 of the Draft Report shows all 150 MW from Project 150 operational by 2010. However, Table 1 at page 15 of the Draft Report indicates that two projects totaling about 46 MW have in-service dates in 2008 and 2009.

Also, the CEAB recommends that the Report include each of the peaking generating units, totaling approximately 678 MW, the DPUC approved recently in a Final Decision in Docket No. 08-08-01, DPUC Review of

Peaking Generation Projects, dated June 25, 2008.²⁰ Table 2 of the Draft Report only includes the Bridgeport Energy II facility. As summarized in the DPUC's Final Decision:

the Department finds that it is in the best interest of ratepayers to approve a portfolio of peaking generators of approximately 678 megawatts of summer peaking capacity comprised of 360 megawatts from a facility owned by Bridgeport Energy II to be located in Bridgeport, 188 megawatts from a facility owned by GenConn LLC to be located in Milford, and 130 megawatts from a facility owned by PSEG Power LLC to be located in New Haven.²¹

Next, relative to retirements of generating units, Table 2 assumes that no generating asset is likely to retire during the forecast period. As noted above, NRG indicated that current projections of revenue in the Forward Capacity Auctions may not suffice to sustain all of its units.²² Further, NRG indicated that certain units will be retired if they are not repowered under long term contracts or other market based arrangements that provide certainty of revenue.²³ In this area, the Report could note the analysis conducted by the CEAB as part of the IRP/Procurement Plan process, which resulted in a recommendation that planning, and particularly resource procurement planning, take into consideration the possibility of retirements. More particularly, this process identified an analytical foundation for the potential retirements of Connecticut generation. As discussed, the CEAB believes it is important that the Report note that testimony, and indicate the need for analysis to determine the susceptibility of certain units to retirement due to issues such as economics or potential environmental regulations.

²⁰ See, Transcript at p. 153.

²¹ DPUC Final Decision, Docket No. 08-08-01 dated June 25, 2008 at page 1.

²² See, NRG response to CEAB 25.

²³ See, NRG response to CEAB 26.

Finally, the Draft Report does not include a comparable load/resource balance for energy consumption in the state. The CEAB suggests that future reports include such an analysis. Given the startup of the emissions compliance period under the Regional Greenhouse Gas Initiative (“RGGI”) in January of 2009, noted on page 20 of the Draft Report, it is important that historical information regarding the carbon and other emissions caused by state energy consumption be shown and reviewed.

H. Hydroelectric Power Generation

The following is a clarifying suggestion on hydroelectric power at page 14:

- The Report might substitute “domestic” with “local” when referring to hydroelectric power. Most generating fuels, including natural gas and oil, are domestically available. Hydro is distinct because they are local, or indigenous, to Connecticut and thus do not require fuel imports from outside the state.

I. Fuel Mix

It would be constructive for the Report to indicate that the data in Figure 4a and 4b, which appear on page 23, represent capacity levels and that actual fuel usage is a function of both capacity and capacity factors. This is most important in terms of the oil facilities. Though oil is close to forty (40) percent of the installed capacity, it features a low capacity factor, which will result in a much lower oil percentage of the total actual fuel mix used in power generation. A fuel mix based on capacity is helpful when one is considering reliability, so as to assess any dependence on any particular fuel where a supply disruption would cause an electric capacity shortfall. A fuel mix comparison based upon energy is a general indicator of the financial or rate level impact a particular fuel has. A fuel mix based upon energy also is a better indicator of environmental impacts. This percentage

could be seen historically by using the historical generation data provided by each generating company for each of their facilities.

J. Forward Capacity Market

The Report should describe that an important function of the Forward Capacity Market is to compensate resources for providing capacity in advance, which should provide additional financial support beyond what is obtained through the energy market. Based on NRG's response to CEAB 26 and discussion during the public hearing, there appears to be some concern, by some at least market participants, that revenues from the FCM may be inadequate, which may cause units to be retired during the forecast period.²⁴ The Report should acknowledge this testimony and attendant potential for unit retirement if capacity prices do not increase from levels that cleared in the first capacity auction.

Also, the Draft Report does not mention the Locational Forward Reserve Market ("LFRM"). This is another potential source of revenues to generators (and costs to ratepayers) that has a significant impact on capacity expansion decisions.²⁵ The DPUC's Final Decision in Docket No. 08-08-01, noted above, in connection with the procurement of peaking resources, discussed the impact on Connecticut's LFRM-related costs and the ability to meet the state's reserve requirements. The DPUC made the following Findings of Fact related to the LFRM²⁶:

1. For several years, Connecticut has had a shortage of several hundred MWs of peaking generation needed for reliability to satisfy compliance with the LFRM requirements.
2. Connecticut consumers have paid and will continue to pay a \$14/kw/m penalty in the LFRM instead of a potentially much lower market clearing price as result this peaking generation shortfall.

²⁴ See, Transcript at pages 124; 142; and, 159.

²⁵ See, Transcript at pages 13; 138-139; and, 145.

²⁶ See, DPUC Final Decision, Docket No. 08-08-01 dated June 25, 2008 at pages 63-64.

3. Taking into account new peaking generation in operation or under contract for the future Connecticut, Connecticut needs at least 290 additional MWs to meet the LFRM requirements.

The CEAB recommends that the Report recognize the LRFM issues.

K. Lake Road Generating Facility

- A minor clarifying suggestion is for the Report, on page 30, to define the acronym “SPS”.

L. An Act Concerning Electricity and Energy Efficiency

The Draft Report at pages 26-28 appropriately describes new programs and policies that may influence the balance of loads and resources over the forecast period. In this context, the Draft Report describes the EDCs’ IRP, which is ultimately subject to the DPUC’s review, modification and approval. The CEAB notes that it has reviewed and modified the EDC’s IRP in the form of the CEAB’s 2008 *Comprehensive Plan for the Procurement of Energy Resources*, dated August 1, 2008. Pursuant to Section 51, the CEAB has provided this document, which includes analysis and recommendations, to the DPUC for its consideration. In addition to noting the ongoing analysis toward a final IRP/procurement plan, the CEAB suggests that the IRP’s enabling statutory requirement for the state’s resource needs to first be met through all available energy efficiency and demand reduction resources that are cost-effective, reliable and feasible is worth noting in the Report.²⁷

²⁷ See, Public Act 07-242 Section 51(c).

M. Conclusion

The CEAB appreciates the Council's work to date in this matter and its consideration of the CEAB's suggestions, with particular attention on the substantive issues including consistent treatment of C&LM and recognition of testimony concerning the potential for retirements and the need for related analysis.