



Peaking Power Plants Update

Public Service Enterprise Group (PSEG) New Haven and GenCon Energy, the two companies that won peaking power plants bids pursuant to Section 16-243u of the General Statutes, are currently involved in rate cases before the Public Utilities Control Authority (PURA). These cases will establish the annual fixed revenue requirements for the companies for 2013. The OCC has been involved in both dockets and has filed a brief with its recommendations to PURA. A final decision is due out by year end.

The annual fixed revenue requirements for both companies will decrease over the 30 year life of the contract. This is due to the fact that these companies have a single asset, which is depreciating over time, along with financing costs and associated taxes that are included in the annual fixed revenue requirements, which are also decreasing.