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VIA ELECTRONIC MAIL AND HAND DELIVERY



November 15, 2012

Mr. Robert Stein  
Chairman  
The Connecticut Siting Council  
Ten Franklin Square  
New Britain, CT 06051

Re: Docket No. 433: The United Illuminating Company's Application for a  
Certificate of Environmental Compatibility and Public Need for the Proposed  
Shelton Substation at 14 Old Stratford Road, Shelton, CT

Dear Chairman Stein:

I enclose an original and fifteen (15) copies of The United Illuminating Company's  
response to the Connecticut Siting Council's pre-hearing interrogatories, Set 1.  
Attachments CSC-3-1 and CSC-3-2 are being filed under protective order. If you have  
any questions about this filing, please do not hesitate to contact me at 203-499-2422.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Bruce L. McDermott'.

Bruce L. McDermott  
Managing Counsel- Operations  
UIL Holdings Corporation  
As Agent for The United Illuminating Company

Interrogatory CSC-1

The United Illuminating Company  
Docket No. 433

Witness: Charles Eves  
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Q-CSC-1: The application states as an alternative site for the substation exists at 102 Armstrong Road in Shelton (pp. 8, 67, 72, ES-7) yet no documents pertaining to this alternative site were submitted except for a Natural Diversity Database review, abutters notice, and municipal consultation material. Is UI formally presenting the 102 Armstrong Road location as an alternative for Council consideration? If so provide available documentation consistent with the Council's Electric Substation Facility Application Guide, Section VI, Parts F & I.

A-CSC-1: The Company is not formally proposing the 102 Armstrong Road, Shelton, CT location as an alternative for the Council's consideration. However, because this site was identified in the Company's site selection study (Appendix H to the Application) and is technically feasible, it was identified as a *possible* alternative. It is not formally being proposed for location of the substation based on this site's higher cost, engineering design complexity, potential environmental and social impacts, and the inability of this site to accommodate future expandability to meet potential future transmission needs. Nonetheless, to ensure full opportunity for public notice and municipal input, the Company provided abutter notice and municipal consultation material for the 102 Armstrong Road site.

Interrogatory CSC-2

The United Illuminating Company  
Docket No. 433

Witness: Charles Eves  
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Q-CSC-2: Does the cost estimate for the 102 Armstrong Road location (Appendix G, p. 30) include the 10.5 million dollars for rock removal? Why is it necessary to have the potential alternative 102 Armstrong Road substation at the same grade as the existing Trap Falls substation?

A-CSC-2: The Company assumes the Council's question regarding rock removal costs at Armstrong Road is based on the first complete paragraph on page 4-8 of the Site Selection Study (Appendix H). The paragraph was originally included in a prior draft of the study and should have been removed from the final version.

It is not necessary to have the alternative 102 Armstrong Road substation at the same grade as the existing Trap Falls substation. The rock removal costs included in the project estimate are to make the site level, not to make the grade of the site match that of the existing substation.

Additionally, the Company assumes that the \$10.5M figure for rock removal also comes from the Site Selection Study which shows an estimated \$10.8M for site preparation cost (Appendix H, p. 4-8). The figure was based on a preliminary estimate developed in 2008 - a portion of which included rock removal. After a refreshed-evaluation in 2012, the cost estimate for the 102 Armstrong Road location includes an estimate of \$4.9 million for site preparation, of which \$3.2 million is for rock removal. Those costs are included in the total estimated project cost in the Shelton Substation Alternatives Report (Appendix G, p. 30) and the Site Selection Study (Appendix H, Table 4-1).

Interrogatory CSC-3

The United Illuminating Company  
Docket No. 433

Witness: Christian Bilcheck  
Page 1 of 1

- Q-CSC-3: Appendix G, page 4, refers to a future transmission needs study conducted by the South West Connecticut Study Group. Provide the study or relevant portion of the study referenced.
- A-CSC-3: Independent System Operator of New England's ("ISO-NE") transmission needs study for Southwest Connecticut, "Southwest Connecticut Area Transmission Needs Assessment," dated July 13, 2011, is attached as Attachment CSC-3-1 ("Needs Assessment"). The Needs Assessment contains Critical Energy Infrastructure Information ("CEII") and therefore is being provided along with a motion for protective order.

The Southwest Connecticut Study Working Group consisting of UI, Northeast Utilities and ISO-NE, is investigating multiple options to address the transmission reliability violations identified in the Needs Assessment, including reliability violations in the 115 kV greater Shelton transmission corridor, often referred to as Naugatuck Valley.

Alternatives presently under evaluation include transmission upgrades to sectionalize certain 115 kV transmission lines and adding reactive power sources (115 kV capacitor banks) in the vicinity of the proposed Shelton substation site. Slides 8-11 from the ISO-NE presentation "SWCT Update on Continuing Alternatives Analyses" given at the November 16, 2011 Planning Advisory Committee meeting ("SWCT Update") are provided as Attachment CSC-3-2 for the Council's review. The SWCT Updates slides are also CEII and are being provided along with a motion for protective order.

In addition to the proposed Shelton substation, it may be necessary for additional transmission upgrades to be made in this area. While the studies needed to reach that conclusion are not finalized, UI has evaluated the ability of the proposed substation site to accommodate additional transmission upgrades and has determined that they can be accomplished at the proposed substation site. The upgrades cannot be made at UI's Trap Falls substation on Armstrong Road due to size and topography limitations.