GenConn Energy LLC

Witness: Devang Patel
April Theberge
Legal Response

Docket No. 26-06-02

Date Submitted: October 1, 2026

RRU-034 Q:

(EXTENSION OF THE CONTRACT FOR DIFFERENCES) Interrog. Resp. RRU-008(a); Interrog. Resp. RWA-006; 2026 AFRR Decision, p. 8. Regarding operation of the peaking facilities beyond the CfD term:

a. Provide every CfD provision governing the commencement, expiration, extension, renewal or continuation of the term, with section and page, and state which party holds the extension option, the notice period, any conditions precedent, and whether GenConn may decline any extension to continue operating the peaking facilities.
b. Provide every analysis or document created since January 1, 2023, by the Company, any owner, affiliate, lender or consultant addressing the feasibility of operating either facility after the CfD term expired, whether under extension, a new agreement or merchant operation, or addressing its disposition, valuation, terminal or residual value, sale or retirement, including refinancing materials, lender models, sponsor valuations, impairment analyses and board or management committee materials.
c. State what the Company would do with the facilities if the CfD is not extended, and whether Connecticut ratepayers would receive any portion of the market revenues earned by fully depreciated facilities.
d. Reconcile the Company's position that the useful lives of the assets end at the expiration of the CfD with its statement in RWA-006 that GenConn will continue to operate in the ISO-NE markets into the foreseeable future, and with the 2026 operating and revenue results reported in RRU-010.

RRU-034 A:

The Company objects to this interrogatory to the extent it requests a legal opinion and legal analysis of the Contract for Differences and is not a factual inquiry concerning the Company's annual fixed revenue requirement application. Notwithstanding this objection, the Company provides the following response:

Please refer to the Company's response to Interrogatory RRU-031.

a. Subject to the Company's objection above, please refer to RRU-034 Attachments 1 and 2, which provide copies of the Contract for Differences ("CfD") for GenConn Devon and GenConn Middletown, respectively. Consistent with Section 12.7 of each CfD, the agreements, including exhibits, schedules and any written supplements thereto, and PURA's decisions and orders relating to Section 50 constitute the entire agreement

between the parties to the contracts relating to the subject matter in question and accordingly must be read in their entirety. Section 12.11 of each of the CfDs provides terms relating to the options to extend the CfDs.

b. There has been no analysis or document created since January 1, 2023, by the Company, any owner, affiliate, lender or consultant addressing the feasibility of operating either facility after the CfD term expired.

c. Subject to the Company's objection above, please refer to RRU-034 Attachments 1 and 2. Consistent with Article 5 of each of the CfDs, the term of each agreement commences on the date the facility first achieves commercial operation (as defined in the CfD) and ends on the thirtieth anniversary thereof, unless the CfD is terminated or extended as set forth in the CfD. If the CfD is not extended, the cost recovery period aligned with the 30-year economic life comes to an end. Prior to that occurring the Company would plan to dismantle, scrap, salvage and dispose of the asset utilizing the Asset Retirement Obligation and accrued liability to effectuate the process. Any net proceeds (positive or negative) of that effort would be reconciled with Connecticut ratepayers. The CfD contractual arrangement would have realized the value that Connecticut ratepayers paid for over the course of 30 years.

d. There is no discrepancy to reconcile between the alignment of the CfD as the term of the GenConn Facilities' operational lives and the statement in Interrogatory RWA-006. The Company's response to Interrogatory RWA-006 refers to market participation of the GenConn units within the time period represented in the 2027 AFRR filing and includes how it would participate in anticipation of known market rule changes through 2028. The statement that GenConn will continue to operate in the ISO-NE markets into the foreseeable future must be read in the context of GenConn's ability to operate, which is governed by the CfD. The CfD contractual expiration date is approximately 15 years from now, which was the intent of the Company's statement in response to Interrogatory RWA-006. Additionally, historical operating and revenue results as presented in the Company's response to RRU-010 cannot be reconciled through the end of the expiration of the CfD as there is no insight into what the market construct will be into the future and what value peaking units like GenConn would realize as the markets continue to evolve. At present, and as demonstrated in response to Interrogatory RRU-010, GenConn continues to provide significant benefit to Connecticut ratepayers. Within the context of the responses in subparts (a) through (c), however, if cost recovery and contractual arrangements were extended, the decision to do so would be based on significant engineering and business analysis closer the expiration date.