



Press Release

\$10 Million Dollar NOx Reduction Unit Pays for Itself in 18 Months

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For Immediate Release

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The \$10 million nitrogen oxide (NOx) reduction system that began operating at the McNeil Generating Station on Oct. 1, 2008, following voter approval at the 2008 Town Meeting Day election, has paid for itself in just 18 months by selling the Renewable Energy Credits into the Connecticut market. Any future REC sales will be total profit for McNeil.

On town meeting day 2008, Burlington voters approved the installation of a NOx system at McNeil with 93 percent of the voters approving the project. The project had two distinct benefits:

- Installation of this project would reduce NOx reductions from McNeil to less than ½ of previous levels resulting in lower emissions to the air.
- Operating McNeil at NOx emission levels less than 0.075#/mmbtu would allow the plant to sell RECs to the state of Connecticut. McNeil owners would continue to benefit from the power from McNeil. It was anticipated that the revenues from selling RECs, would pay for the project in 2 to 3 years.

Immediately after the bond vote passed, BED contracted with Babcock Power to supply and install the NOx reduction system, using their unique Regenerative Selective Catalytic Reduction (RSCR) technology. On site construction started in April 2008, and the project began commercial operation on Oct. 1, 2008.

John Irving, McNeil plant manager and manager of Power Supply at BED, said, “meeting our goal of having the unit pay for itself several months early is beneficial for all the owners of McNeil and their ratepayers. This has the double benefit of being very good environmentally and economically.”

The McNeil Station is jointly owned by Burlington Electric Department, Central Vermont Public Service Corporation, Vermont Public Power Supply Authority and Green Mountain Power Corporation

Connecticut’s existing Renewable Portfolio Standard requires that they purchase renewable energy credits equivalent to 7 percent of the total power used in the state in 2010. This percentage is required to increase annually to 20 percent in 2020.

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