

Fiscal Year 2012  
Mid-Connecticut Project  
Proposed Operating and Capital Budgets  
and Tip Fees

*February 24, 2011*

EXECUTIVE SUMMARY

The entities that are responsible for the operation and maintenance (“O&M”) of the Mid-Connecticut Resources Recovery Facility (the “Facility”) are the Metropolitan District Commission (the “MDC”) (WPF) and Covanta Energy (PBF/EGF). Both entities have been responsible for the O&M of their portions of the Facility since it began operations in the 1980s. The contract with the MDC for O&M of the WPF expires on December 30, 2011, and the Covanta contract for O&M of the PBF/EGF expires on May 31, 2012.

With the impending expiration of the O&M contracts, CRRA decided to initiate a competitive procurement process for the future O&M of the Facility. CRRA determined that it would be in CRRA’s interest to consider a single entity for the O&M of the entire Facility, and that CRRA should have direct management control over the O&M of the Facility.

CRRA initiated the procurement process with a Request for Qualifications (“RFQ”) that was issued in September 2009. As a result of the RFQ process, in May 2010 CRRA invited six entities to submit bids/proposals. Five of the six responded to the Request for Bids/Proposals. After extensive review of the bids/proposals submitted, CRRA selected NAES Corporation (“NAES”) (formerly North American Electric Services) as the preferred bidder, and NAES and CRRA entered into an O&M contract on December 16, 2010.

With a new entity responsible for the O&M of the Facility, there will have to be a transition period during which the change-over occurs. CRRA anticipates that NAES transition period will begin in fiscal year 2011 for the WPF and in fiscal year 2012 for the PBF/EGF. NAES will be responsible for the O&M of the WPF beginning December 31, 2011 and for the PBF/EGF beginning June 1, 2012.

The NAES contract is a “cost plus fixed fee” type of contract under which NAES will pass through to CRRA all of its expenses related to O&M of the Facility and CRRA will pay those expenses plus a fixed management fee of approximately \$800,000 per year. Half of the management fee is tied to NAES’s performance as assessed by CRRA based on mutually agreed upon criteria. The term of the NAES contract is five years with a series of 10 one-year extensions exercisable by CRRA at its sole discretion.

The budgets for the WPF, PBF and EGF were developed in accordance with the three Operator Agreements proportioned based on the expiration/beginning of each contract, the table on page 6 provides a break out summary by operator. The following is a summary of the process used to determine the budgeted expenses for the WPF, PBF, and EGF:

## **WPF**

- On November 10, 2010, CRRA provided the MDC with a detailed budget preparation assumptions letter for the remaining six month period of their current Agreement.
- As required by their Agreement, MDC provided CRRA with a detailed line-item budget based on the CRRA assumptions letter on January 31, 2011.
- The MDC budget is categorized into three main parts; payroll, operation and maintenance, and corporate contribution or overhead.
- CRRA reviewed the MDC budget and incorporated its submission estimates for operating the WPF for the distinct period of July 1, 2011 through December 30, 2011 in this Mid-Connecticut Operating Budget.
- For the distinct budget period of December 31, 2011 through June 30, 2012, CRRA incorporated NAES's Bid Proposal for payroll and management fees escalated by 2.5% based on the maximum allowed escalation in the contract.
- For the purpose of operation and maintenance for the distinct budget period of December 31, 2011 through June 30, 2012, CRRA used as a surrogate estimate the same amount as the MDC submitted estimate for the first six months, which provides a total fiscal year 2012 estimated operation and maintenance budget that is consistent with recent operations and maintenance annual expenditures for the WPF.

## **PBF**

- The Covanta Operating Agreement budget is categorized into four categories: payroll, operation and maintenance, management fees, and pass through expenses. The first three categories are adjusted annually based on the estimated change of the contractually prescribed Consumer Price Index (the "CPI") indices. The pass through expenses are an estimation by the CRRA Operation Group based on past experience and current facility conditions with input from Covanta's on site personnel.
- For the distinct period of July 1, 2011 through May 31, 2012, CRRA estimated the escalation for Covanta's management fee, operation and maintenance fee, and payroll fee and then prorated these fees for eleven months of expenses.
- For the distinct period of June 1, 2012 through June 30, 2012 as a surrogate estimate, CRRA used a one month prorated share of the escalated estimate for Covanta's pass through expenses and the operation and maintenance expenses.
- For the distinct period of June 1, 2012 through June 30, 2012, CRRA incorporated NAES's Bid Proposal for payroll fees escalated by 2.5% based on the maximum allowed escalation in the contract.
- Since the PBF is not managed by NAES until the last month of fiscal year 2012, CRRA incorporated NAES's entire fiscal year 2012 management fee in the calculation of the WPF expenses.



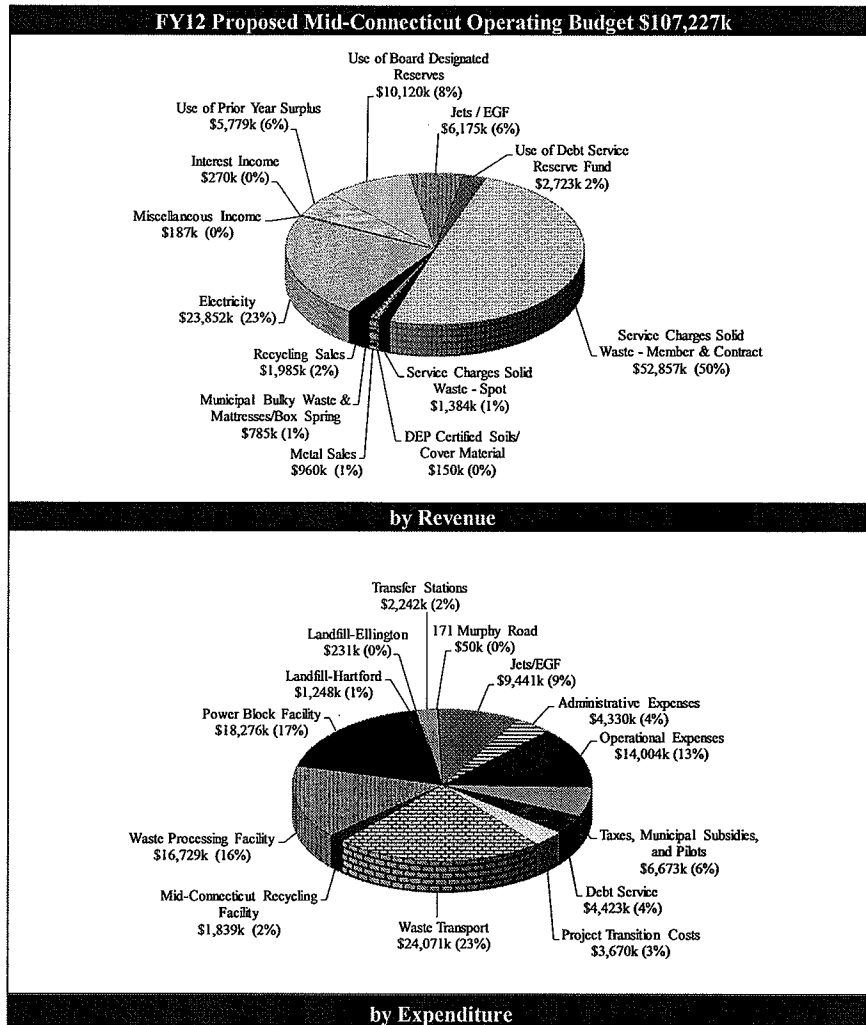
In addition to selecting an operator through the competitive procurement process and as required by the MSAs and the Bond Indentures, CRRA continues to address the capital needs of the Mid-Connecticut Facilities. Since fiscal year 2005, CRRA engineers, with the assistance of external consultants, have identified and completed several projects to enhance and ensure the continued operation of the Mid-Connecticut Facilities.

- Upgraded of the Recycling Center to accept single stream recyclables and increased the amount and type of acceptable recyclables.
- Repaired the fire wet and dry sprinkler systems and upgraded the fire control panels to increase safety for the contractors and employees working at the WPF.
- Installed additional platforms and catwalks to several pieces of stationary equipment to allow safe access that did not exist.
- Re-trough of all major rubber belt conveyors in the WPF processing lines to prevent waste spillage and decrease many jam points, thereby increasing processing rates.
- Rebuilt and performed multiple upgrades to both primary and secondary WPF shredders to increase processing rates.
- Resurfaced flooring in the truck maneuvering hall, municipal solid waste (MSW) storage area, and the Refuse Derived Fuel (the "RDF") halls to protect trucks and equipment and developed a top coat process that allows CRRA to inexpensively make ongoing floor repairs with minimal interruptions to its customer deliveries of MSW.
- Upgraded unserviceable and obsolete analog based control systems in the WPF and PBF and started replacing the obsolete analog control systems for the EGF turbines.
- Due to closure of the Hartford Landfill, CRRA extended the existing ash load out building to allow larger 100-yard trailers to load, ensuring the most competitive ash disposal price.
- In fiscal year 2010, CRRA started replacing the unreliable internal boiler pressure part of water wall sections in all boilers to reduce unscheduled down time.
- In fiscal year 2011, CRRA will replace the overfire combustion air system in the worst performing boiler to increase its online capacity rate. CRRA will also replace all three boiler's secondary super heaters, which will also reduce unscheduled down time.

All of these capital projects have improved reliability/performance in the operations of the Facility. In fiscal year 2012, CRRA will continue to address areas to improve reliability and performance. The proposed capital plan will continue to address boiler water wall tube issues, along with other internal pressure part work, and also focus on reducing parasitic electricity load by replacing inefficient lighting systems and upgrading other older inefficient facility equipment. In addition, CRRA will be addressing one of its biggest challenges of creating a predictable consistent flow of fuel (solid waste). CRRA is currently evaluating the feasibility of incorporating a bale wrap and storage system at the WPF site. This system will reduce the cost to relocate wastes through exports and diversions during periods of high waste delivery volumes and allow the stored wastes to be used during periods of lower waste delivery volumes. CRRA will be able to move scheduled outages to take advantage of energy commodity prices and not have to schedule outages based on waste delivery volumes.

The following summarizes the proposed operating and capital budgets and tip fees for fiscal year 2012 Mid-Connecticut Project.

- The Fiscal Year 2012 proposed operating budget totals \$107,226,946, reflecting an increase of \$7,305,172 from the Fiscal Year 2011 adopted budget.
- The Fiscal Year 2012 proposed capital budget totals \$15,381,000, reflecting an increase of \$1,292k from the Fiscal year 2011 adopted budget.



- The Fiscal Year 2012 proposed revenue is higher than the Fiscal Year 2011 adopted budget primarily due to an increase in the Use of Board Designated Reserves and the Use of Debt Service Reserve Fund (DSRF), partially offset by a projected decrease in member service charges and lower surplus in fiscal year 2010.
- The Fiscal Year 2012 proposed expenditure is higher than the Fiscal Year 2011 adopted budget due to increases in the Operational Expenses and the PBF; partially offset by decreases in the Waste Transport and the WPF.

## FY12 PROPOSED OPERATING BUDGET

The table below shows the budget changes by revenue category.

Mid-Connecticut Project Revenues (in \$000's)	Adopted	Proposed	Increase / Decrease
	FY11	FY12	\$
Service Charges Solid Waste - Member & Contract	\$ 53,896	\$ 52,857	\$ (1,039)
Service Charges Solid Waste - Spot	\$ 680	\$ 1,384	\$ 704
DEP Certified Soils/Cover Material	\$ 500	\$ 150	\$ (350)
Metal Sales	\$ 720	\$ 960	\$ 240
Municipal Bulky Waste & Mattresses/Box Spring	\$ 876	\$ 785	\$ (91)
Recycling Sales	\$ 1,470	\$ 1,985	\$ 515
Electricity	\$ 24,040	\$ 23,852	\$ (188)
Miscellaneous Income	\$ 187	\$ 187	\$ -
Interest Income	\$ 304	\$ 270	\$ (34)
Use of Prior Year Surplus	\$ 7,796	\$ 5,779	\$ (2,017)
Use of Board Designated Reserves/Trustee Funds	\$ 3,305	\$ 10,120	\$ 6,815
Jets / EGF	\$ 6,148	\$ 6,175	\$ 27
Use of Debt Service Reserve Fund (DSRF)	\$ -	\$ 2,723	\$ 2,723
<b>TOTAL</b>	<b>\$ 99,922</b>	<b>\$ 107,227</b>	<b>\$ 7,305</b>

### Service Charge Solid Waste – Member & Contract (Decrease of \$1,039k)

The proposed Fiscal Year 2012 member and commercial solid waste tipping fee for fiscal year 2012 is \$69.00 per ton. The proposed revenue is lower than the Fiscal Year 2011 adopted budget due to an anticipated decrease in member and contract deliveries, offset by an anticipated increase in waste deliveries from CWPM.

### Service Charge Solid Waste – Spot (Increase of \$704k)

The proposed Fiscal Year 2012 spot waste tipping fee is based on market rate for out-of-state spot waste and ferrous residue. The proposed revenue is higher than the Fiscal Year 2011 adopted budget due to an anticipated increase in spot deliveries to offset low member and contract deliveries.

### DEP Certified Soils/Cover Material (Decrease of \$350k)

DEP Certified Soils/Cover Material refers to soil/cover materials for the closure of the Hartford landfill. The proposed Fiscal Year 2012 revenue is lower than the Fiscal Year 2011 adopted budget due to completion of the Hartford Landfill closure.

### Metal Sales (Increase of \$240k)

The proposed Fiscal Year 2012 Metal Sales is higher than the Fiscal Year 2011 adopted budget due to a higher per ton credit rate from vendor resulting from an anticipated higher average ferrous metal revenue price.

Municipal Bulky Waste & Mattresses/Box Spring (Decrease of \$91k)

The proposed Fiscal Year 2012 Municipal Bulky Waste is lower than the Fiscal Year 2011 adopted budget due to an anticipated decrease in bulky waste deliveries.

Recycling Sales (Increase of \$515k)

The proposed Fiscal Year 2012 Recycling Sales is higher than the Fiscal Year 2011 adopted budget due to an anticipated increase in deliveries and higher average commodity revenue price.

Electricity (Decrease \$188k)

The proposed Fiscal Year 2012 Electricity is lower than the Fiscal Year 2011 adopted budget due to anticipated decrease in kwh sold, partially offset by an increase in the average rate per kwh for June 2012.

Miscellaneous Income

The proposed Fiscal Year 2012 Miscellaneous Income remains flat to the Fiscal Y2011 adopted budget. Miscellaneous Income reflects revenue primarily from the sale of electricity generated from landfill gas.

Interest Income (Decrease of \$34k)

The proposed Fiscal Year 2012 Interest Income is lower than the Fiscal Year 2011 adopted budget due to lower account balances. The Fiscal Year 2012 budgeted interest rate is 1%.

Use of Prior Year Surplus (Decrease of \$2,017k)

The proposed Use of Prior Year Surplus pertains to the use of fiscal year 2010 surplus. The fiscal year 2012 amount is lower than fiscal year 2011 adopted budget due to lower tip fee revenue in fiscal year 2010 including the impact of a \$6-per ton subsidy on tip fee (from \$69/ton to \$63/ton) to member towns.

Use of Board Designated Reserves (Increase of \$6,815k)

The proposed Fiscal Year 2012 Use of Board Designated Reserves reflects the use of \$8.32 million from the Revenue Fund and \$1.8 million from the Risk Fund to pay for costs and fees incurred during fiscal year 2012.

Jets/EGF (Increase of \$27k)

The proposed Fiscal Year 2012 Jets/EGF is higher than the Fiscal Year 2011 adopted budget due to higher energy rates escalated yearly based on contract.

Use of Debt Service Reserve Fund (DSRF)

The proposed Fiscal Year 2012 Use of DSRF relates to Series 1996 bonds, which will mature on November 15, 2012. The Authority will submit a written request to the Trustee to apply the DSRF to monthly debt service payments beginning October 2011.

The table below shows the budget changes by expense category.

Mid-Connecticut Project Expenditures (in \$000's)	Adopted	Proposed	Increase / Decrease
	FY11	FY12	\$
Administrative Expenses	\$ 3,700	\$ 4,330	\$ 630
Operational Expenses	\$ 10,416	\$ 14,004	\$ 3,588
Taxes, Municipal Subsidies, and Pilots	\$ 6,597	\$ 6,673	\$ 76
Debt Service	\$ 4,375	\$ 4,423	\$ 48
Project Transition Costs	\$ -	\$ 3,670	\$ 3,670
Waste Transport	\$ 24,543	\$ 24,071	\$ (472)
Mid-Connecticut Recycling Facility	\$ 1,376	\$ 1,839	\$ 463
Waste Processing Facility	\$ 17,654	\$ 16,729	\$ (925)
Power Block Facility	\$ 17,866	\$ 18,276	\$ 410
Landfill - Hartford	\$ 1,268	\$ 1,248	\$ (20)
Landfill - Ellington	\$ 250	\$ 231	\$ (19)
Transfer Stations	\$ 2,293	\$ 2,242	\$ (51)
171 Murphy Road	\$ 50	\$ 50	\$ -
Jets / EGF	\$ 9,535	\$ 9,441	\$ (94)
<b>TOTAL</b>	<b>\$ 99,922</b>	<b>\$ 107,227</b>	<b>\$ 7,305</b>

Administrative Expenses (Increase of \$630k)

The proposed Fiscal Year 2012 Administrative Expenses is higher than the Fiscal Year 2011 adopted budget as Fiscal Year 2011 was understated as a result of changes in labor allocation arising from other Project closures. The proposed Fiscal Year 2012 Administrative Expenses is \$467k less than the Fiscal Year 2010 actual Administration Expense.

Operational Expenses (Increase of \$3,588k)

The proposed Fiscal Year 2012 Operational Expenses is higher than the Fiscal Year 2011 adopted budget due to an increase in reserve contributions to cover costs for capital expenditures (i.e., Rolling Stock Reserve and Facility Modification Reserve) and the establishment of reserves (i.e., Litigation Reserve and Post Project Closure Reserve) associated with the expiration of the project and municipal service agreements, partially offset by a decrease in legal costs.

Taxes, Municipal Subsidies, and Pilots (Increase of \$76k)

The proposed Fiscal Year 2012 Taxes, Municipalities, and Pilots is higher than the Fiscal Year 2011 adopted budget primarily due to an anticipated increase in indices in the EGF and transfer station pilots.



#### Debt Service (Increase of \$48k)

Debt Service refers to principal and interest payments to Series 1996 bonds, which will mature on November 15, 2012. The DSRF will be used to pay monthly debt service beginning October 2011.

#### Project Transition Costs

The proposed Fiscal Year 2012 Project Transition Costs refers to costs for activities related to the transition from two operators of the Facility to one operator.

#### Waste Transport (Decrease of \$472k)

The proposed Fiscal Year 2012 Waste Transport is lower than the Fiscal Year 2011 adopted budget primarily due to anticipated decrease in export and diversion of wastes.

#### Mid-Connecticut Recycling Facility (Increase of \$463k)

The proposed Fiscal Year 2012 Mid-Connecticut Recycling Facility is higher than the Fiscal Year 2011 adopted budget primarily due to a contribution to the RESWI Fund, offset by a decrease in direct operational labor and benefits costs. The RESWI fund is established to increase awareness in recycling, provide education, and to identify alternatives for solid waste disposal.

#### Waste Processing Facility (Decrease of \$925k)

The proposed Fiscal Year 2012 Waste Processing Facility is lower than the Fiscal Year 2011 adopted budget primarily due to an anticipated decrease in the O&M costs associated with the MDC's contract expiration on December 30, 2011. The transition period to the new operator, NAES, will begin in fiscal year 2011.

Under the new contract, NAES will take over the operations and maintenance of the WPF beginning December 31, 2011. The contract is for five years with a series of 10 one-year extensions to be exercised solely at the discretion of the Authority. The new contract is a "cost plus fixed fee" type of agreement under which NAES will pass through to the Authority all of its expenses related to O&M of the Facility and the Authority will pay those expenses plus a fixed management fee.

#### Power Block Facility (Increase of \$410k)

The proposed Fiscal Year 2012 Power Block Facility is higher than the Fiscal Year 2011 adopted budget due to an anticipated increase in pass-through costs and other contract operating costs. Covanta's contract will expire on May 31, 2012, and the transition period to the new operator, NAES, will begin in fiscal year 2012.

Under the new contract, NAES will take over the operations and maintenance of the PBF beginning June 1, 2012. The contract is for five years with a series of 10 one-year extensions to be exercised solely at the discretion of the Authority. The new contract is a "cost plus fixed fee" type of agreement under which NAES will pass through to CRRA all of its expenses related to O&M of the Facility and CRRA will pay those expenses plus a fixed management fee.

#### Landfill – Hartford (Decrease of \$20k)

The proposed Fiscal Year 2012 Landfill-Hartford does not include contributions to the funded post closure reserve.

Landfill – Ellington (Decrease of \$19k)

The proposed Fiscal Year 2012 Landfill-Ellington does not include contributions to the funded post closure reserve.

Transfer Stations (Decrease of \$51k)

The proposed Fiscal Year 2012 Transfer Stations is lower than the Fiscal Year 2011 adopted budget due to an anticipated decrease in contract operating costs.

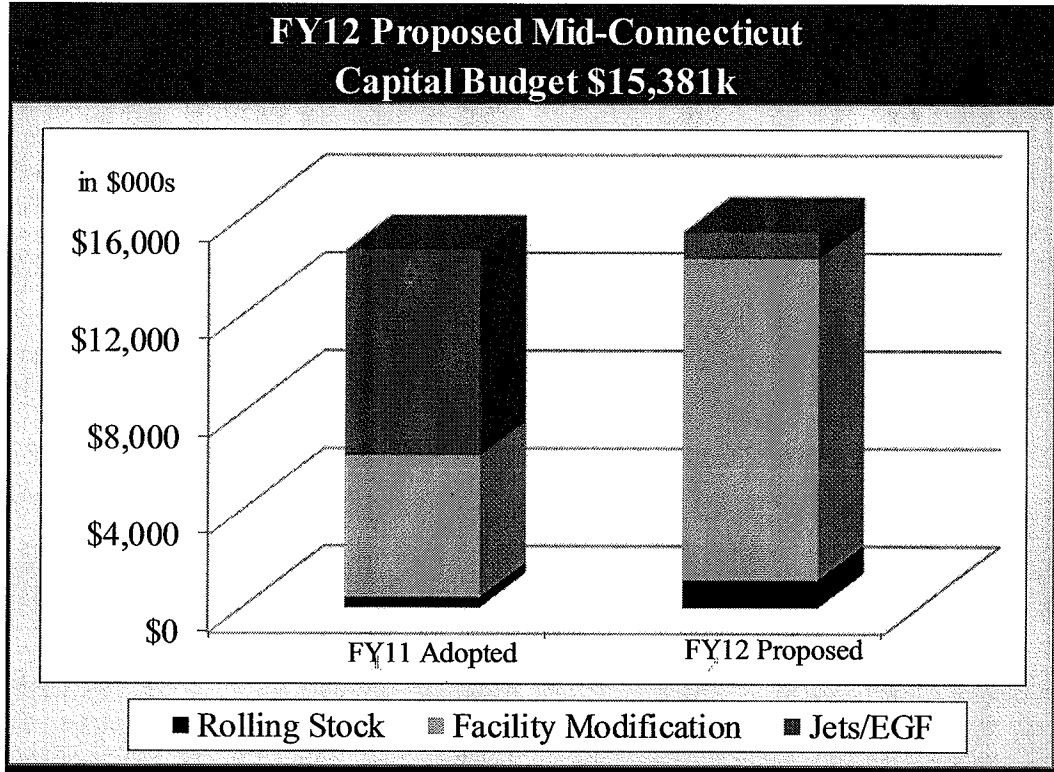
Jets/Energy Generating Facility (EGF) (Decrease of \$94k)

The proposed Fiscal Year 2012 Jets/EGF is lower than the Fiscal Year 2011 adopted budget due to anticipated decreases in the EGF capital expenditures and Jets contract operating costs, partially offset by an increase in the contribution to EGF Reserve.

Covanta's contract will expire on May 31, 2012, and the transition period to the new operator, NAES, will begin in fiscal year 2012. Under the new contract, NAES will take over the operations and maintenance of the EGF beginning June 1, 2012. The contract is for five years with a series of 10 one-year extensions to be exercised solely at the discretion of the Authority. The new contract is a "cost plus fixed fee" type of agreement under which NAES will pass through to CRRA all of its expenses related to O&M of the Facility and CRRA will pay those expenses plus a fixed management fee.

## **FY12 PROPOSED CAPITAL BUDGET**

The Fiscal Year 2012 proposed capital budget is higher than the Fiscal Year 2011 adopted budget by \$1,292k due to increases in the Rolling Stock and the Facility Modification, offset by a decrease in the Jets/EGF.



The adopted major capital projects scheduled for fiscal year 2012 are as follows:

### Rolling Stock (Increase of \$749k)

The proposed Fiscal Year 2012 Rolling Stock is higher than the Fiscal Year 2011 adopted budget primarily due to replacement of equipment currently owned by the PBF Operator, which includes a mobile rubber tire grapple \$200k, forklifts \$30k, a lull(extension forklift) \$125k, and other site-specific rolling stock \$180k (i.e., Ford F350 and F150, and a skid steer loader). In addition, the proposed budget includes regularly scheduled rebuild of two loaders \$530k.

### Facility Modification (Increase of \$7,843k)

The proposed Fiscal Year 2012 Facility Modification is higher than the Fiscal Year 2011 adopted budget due to increases in the WPF and PBF.

- The major projects proposed for the WPF include baling operations \$2.82M, rebuild of a conveyor line \$400k, rebuild of two picking stations \$500k, refurbishment of secondary shredder cyclone hopper \$300k, and purchase of a new secondary shredder motor \$225k;

- The major projects proposed for the PBF include replacement of water wall tubes for boilers \$4.558M, replacement of primary super heaters \$2.55M, upgrade of all boiler furnace gas burners \$540k, replacement of one ash belt conveyor \$300k, and upgrade of one ash belt platform \$120k; and
- The proposed projects for the recycling facility and the transfer stations include paving/curbing, building repairs, and other minor improvements.

Jets/EGF (Decrease of \$7,300k)

The proposed Fiscal Year 2012 Jets/EGF is lower than the Fiscal Year 2011 adopted budget primarily due to major capital improvements being performed in fiscal year 2011.

- The major projects proposed for the Jets include rebuild of one free turbine \$300k and replacement of spare parts \$100k.
- The major project proposed for the EGF is the relocation of boiler inlet analyzers \$300k.

# CRRRA - MID-CONNECTICUT PROJECT

DETAILS		ACTUAL FY10	ADOPTED FY11	PROPOSED FY12	
<b>TIP FEES</b>					
MSW	Member/Contract (a)	\$69.00 / \$63.00 *	\$ 69.00	\$ 69.00	
	CWPM Contract (Jul-Dec) (b)	\$ 51.00	\$ 52.50	\$ 54.00	
	CWPM Contract (Jan-Jun) (b)	\$ 52.50	\$ 54.00	\$ 55.50	
	Municipal Bulky Waste	\$ 85.00	\$ 85.00	\$ 85.00	
	Spot (c)	Market Rate	Market Rate	Market Rate	
Landfill	DEP Certified Soils /Cover Material (c)	Market Rate	Market Rate	Market Rate	
	Mattresses/Box Spring Surcharge (per unit) (d)	n/a	\$ 30.00	\$ 30.00	
Other	Ferrous Residue (Inbound) (c)	Market Rate	Market Rate	Market Rate	
	RDF (Imported)	\$ -	\$ 15.00	\$ 15.00	
Recyclables	Single Stream Acceptable Recyclables	\$ -	\$ -	\$ -	
	Dual Stream Acceptable Recyclables	\$ -	\$ -	\$ -	
	Delivery Credit (per ton)	\$ -	\$ -	\$ -	
<b>ASSUMPTIONS</b>					
<b>POWER</b>	kwh/ton of MSW Processed	495	540	503	
	Total kwh Sold	390,426,156	417,000,000	402,000,000	
	Average Rate Per kwh <=250GW (e)	\$ 0.0770	\$ 0.0741	\$ 0.0718	
	Average Rate Per kwh >250GW (e)	\$ 0.0330	\$ 0.0330	\$ 0.0330	
	Average Rate Per kwh (June 2012)	n/a	n/a	\$ 0.0580	
<b>DELIVERIES</b>	MSW	Member	740,798	747,500	734,300
		CWPM Contract	29,099	30,000	40,000
		Municipal Bulky Waste	7,956	8,470	7,400
		Spot	19,005	8,000	25,600
		<i>Total</i>	<u>796,858</u>	<u>793,970</u>	<u>807,300</u>
	Other (Spot)	Ferrous Residue (Inbound)	8,587	9,000	9,000
		Recycling Residue	3,036	-	4,200
		<i>Total</i>	<u>11,622</u>	<u>9,000</u>	<u>13,200</u>
	Landfill	DEP Certified Soils /Cover Material	71,197	50,000	15,000
		<i>Total</i>	<u>71,197</u>	<u>50,000</u>	<u>15,000</u>
	Mattresses/Box Spring	Mattress/Box Spring (per unit)	n/a	5,200	5,200
		<i>Total</i>	<u>-</u>	<u>5,200</u>	<u>5,200</u>
	Recyclables	Dual Stream Acceptable Recyclables	2,540	8,200	1,700
		Single Stream Acceptable Recyclables	81,316	73,800	82,300
		<i>Total</i>	<u>83,856</u>	<u>82,000</u>	<u>84,000</u>

\* The fiscal year 2010 adopted tip fee was \$69.00 per ton. The board authorized a subsidy of \$6.00 per ton to member towns.

(a) Rates set during the annual budget process; reflects transportation and disposal costs

(b) Rates specified by contract; does not include transportation and transfer station operating and maintenance costs of approximately \$29.00 per ton

(c) Rates based on market condition

(d) Rates set during the annual budget process; reflects processing and disposal costs

(e) Rates specified by contract

# CRRA - MID-CONNECTICUT PROJECT

## ASSUMPTIONS

DETAILS		ACTUAL FY10	ADOPTED FY11	PROPOSED FY12
<b>RECYCLING OPERATIONS</b>				
Revenues	Containers (Add'l Revenue Share)	\$ 19.13	\$ 4.75	\$ 17.00
	Fiber (Add'l Revenue Share)	\$ 5.54	\$ 5.00	\$ 5.00
	Single Stream Acceptable Recyclables	\$ 14.73	\$ 13.00	\$ 15.00
	Dual Stream Acceptable Recyclables	\$ 15.57	\$ 13.05	\$ 15.05
Operations	Residue Rate- Containers & Fiber	3.60%	2.75%	5.00%
<b>FACILITY OPERATIONS</b>				
Tons Processed	Total MSW Processed	789,333	771,700	799,300
	RDF Produced	678,358	650,000	673,000
Residue Rates	Ash Rate (Per Ton of RDF)	22.6%	26.0%	23.0%
	Ash Rate (Per Ton of MSW)	19.4%	21.4%	20.1%
	Process Residue Rate (Per Ton of MSW)	13.0%	13.0%	13.0%
	Ferrous Metals Rate (Outbound) (Per Ton of MSW)	3.1%	3.0%	3.0%
	Ferrous Residue Rate (Inbound) (Per Ton of MSW)	1.1%	1.1%	1.1%
	Non-processible Waste - Out-of-State	1.0%	0.9%	0.9%
Fees	Pebble Lime (per ton)	\$ 146.38	\$ 147.90	\$ 149.31
	Urea (per gallon)	\$ 1.50	\$ 1.55	\$ 1.50
	Ferrous Residue Removal (per ton credit)	\$ 40.00	\$ 30.00	\$ 40.00
Other	Lime (Lbs/Ton of RDF Burned) - pebble	16.9	20.0	16.9
	Urea (Gallons)	139,269	150,000	150,000
	Ferrous Metals (Outbound)	24,694	24,000	24,000
<b>MUNICIPAL PAYMENTS</b>				
Fees	Canton (per ton)	\$ 4.42	\$ 4.42	\$ 4.42
	East Granby (per ton)	\$ 8.38	\$ 8.38	\$ 8.38
	Granby (per ton)	\$ 7.90	\$ 7.90	\$ 7.90
	Simsbury (per ton)	\$ 8.13	\$ 8.13	\$ 8.13
	Essex Surcharge (Recycling) (per MSW ton)	\$ 1.00	\$ 1.00	\$ 1.00
	Ellington TS Host Benefit (per ton)	\$ 0.52	\$ 0.53	\$ 0.54
	Essex TS Host Benefit (per ton)	\$ 0.52	\$ 0.53	\$ 0.54
	Torrington TS Host Benefit (per ton)	\$ 0.52	\$ 0.53	\$ 0.54
	Watertown TS Host Benefit (per ton)	\$ 0.52	\$ 0.53	\$ 0.54
	Waterbury LF Residential Drop Off (per load)	\$ 227.34	\$ 245.00	\$ 245.00
	Hartford PILOT - Processible Waste Fee (per ton)	\$ 10.11	\$ 10.31	\$ 10.51
Deliveries (Tons/Loads)	Canton (MSW tons)	4,938	5,500	5,100
	East Granby (MSW tons)	3,897	4,500	4,100
	Granby (TS Subsidy)	4,618	5,500	4,800
	Simsbury (TS Subsidy)	15,084	15,500	15,500
	Essex Surcharge (MSW)	57,103	60,000	60,000
	Ellington TS Host Benefit	46,717	30,000	30,000
	Essex TS Host Benefit	76,319	60,000	60,000
	Torrington TS Host Benefit	59,442	65,000	65,000
	Watertown TS Host Benefit	143,043	130,000	130,000
	Waterbury LF Residential Drop Off (load)	309	600	600

# CRRA - MID-CONNECTICUT PROJECT

ASSUMPTIONS		DETAILS	ACTUAL FY10	ADOPTED FY11	PROPOSED FY12
<b>WASTE TRANSPORT</b>					
Fees	Ellington (per ton)		\$ 8.96	\$ 9.86	\$ 9.86
	Essex (per ton)		\$ 15.75	\$ 17.34	\$ 17.32
	Torrington (per ton)		\$ 13.28	\$ 13.19	\$ 14.61
	Watertown (per ton)		\$ 14.08	\$ 13.97	\$ 15.49
	Guilford / Madison (per ton)		\$ 2.75	\$ 17.20	\$ 2.75
	Sharon/Salisbury (per ton)		\$ 12.42	\$ 12.67	\$ 12.75
	Southbury (per ton)		\$ 5.25	\$ 5.43	\$ 5.62
	RRDD#1 MSW (per load)		\$ 93.90	\$ 88.80	\$ 95.00
	Southeast Project Diversion Fee (per ton)		\$ 60.00	\$ 60.00	\$ 60.00
	Wallingford Project Diversion Fee (per ton)		\$ 60.00	\$ 69.00	\$ 70.00
	Exports Out-of-State Fee (per ton)		\$ 59.00 - \$67.00	\$ 76.01	\$ 78.29
	Ash to Other (per ton T&D)		\$57.18 - \$58.18	\$ 62.50	\$ 62.70
	Process Residue to Other (per ton T&D)		\$69.36 - \$70.52	\$ 73.09	\$ 75.28
	Non-processible Waste to Other (per ton T&D)		\$83.99 - \$86.09	\$ 88.61	\$ 91.27
Hauled Tons	Ellington (MSW)		46,354	30,000	48,000
	Essex (MSW & Recyclables)		67,031	75,000	69,000
	Torrington (MSW & Recyclables)		59,116	65,000	61,000
	Watertown (MSW & Recyclables)		141,075	130,000	143,000
	Guilford / Madison (MSW)		2,517	3,200	2,700
	Sharon/Salisbury (MSW)		3,101	3,500	3,300
	Southbury (MSW)		6,256	7,500	6,500
	RRDD#1 (MSW)		2,639	2,700	2,800
MSW Byproduct	Ash to Other		153,137	165,000	161,000
	Process Residue to Other		102,810	103,216	105,000
	Non-processible Waste to Other		7,956	7,146	7,000
MSW Bypass	Southwest Diversions		1,510	-	-
	Southeast Diversions		1,632	2,800	1,796
	Wallingford Diversions		-	3,470	5,200
	Exports Out-of-State		11,253	16,000	1,004
	<i>Subtotal</i>		<u>14,396</u>	<u>22,270</u>	<u>8,000</u>
<b>MISCELLANEOUS</b>					
	Inflation Estimate		1.96% *	2.00%	2.00%
	Interest Rate		0.34% *	1.00%	1.00%
	Pro Rated Year				

\* fiscal year average

# CRRA - MID-CONNECTICUT PROJECT

## REVENUE & EXPENDITURE SUMMARY

### REVENUES

Account	Description	ACTUAL FY10	ADOPTED FY11	PROPOSED FY12
41-001-000-xxxxx	Service Charges Solid Waste -Member & Contract	\$ 52,053,061	\$ 53,896,000	\$ 52,857,000
41-001-000-40103	Service Charges Solid Waste - Spot	\$ 1,250,018	\$ 680,000	\$ 1,384,000
41-001-000-41103	DEP Certified Soils/Cover Material	\$ 460,626	\$ 500,000	\$ 150,000
41-001-000-41104	Metal Sales	\$ 1,363,054	\$ 720,000	\$ 960,000
41-001-000-41106	Municipal Bulky Waste & Mattresses/Box Spring	\$ 689,858	\$ 875,950	\$ 785,000
41-001-000-42101	Recycling Sales	\$ 1,926,042	\$ 1,470,000	\$ 1,985,000
41-001-000-43101	Electricity	\$ 23,887,650	\$ 24,040,000	\$ 23,852,000
41-001-000-45150	Miscellaneous Income	\$ 275,345	\$ 187,000	\$ 187,000
41-001-000-46101	Interest Income	\$ 157,878	\$ 304,000	\$ 270,000
41-001-000-48201	Use of Prior Year Surplus (a)	\$ 8,958,000	\$ 7,795,824	\$ 5,778,946
41-001-000-48401	Use of Board Designated Reserves/Trustee Funds	\$ -	\$ 3,305,000	\$ 10,120,000
41-001-000-xxxxx	Jets / EGF	\$ 6,446,519	\$ 6,148,000	\$ 6,175,000
41-001-000-48202	Use of Debt Service Reserve Fund (DSRF)		\$ -	\$ 2,723,000
<b>Total Revenues</b>		\$ 97,468,051	\$ 99,921,774	\$ 107,226,946

### EXPENDITURES

Account	Description	ACTUAL FY10	ADOPTED FY11	PROPOSED FY12
41-001-501-57871	Administrative Expenses	\$ 4,797,280	\$ 3,700,000	\$ 4,330,000
41-001-xxx-xxxxx	Operational Expenses	\$ 5,384,293	\$ 10,415,799	\$ 14,003,746
41-001-xxx-xxxxx	Taxes, Municipal Subsidies, and Pilots	\$ 6,178,810	\$ 6,596,500	\$ 6,673,000
41-001-502-xxxxx	Debt Service	\$ 4,365,757	\$ 4,375,000	\$ 4,423,000
41-001-xxx-xxxxx	Project Transition Costs	\$ -	\$ -	\$ 3,670,000
41-001-505-xxxxx	Waste Transport	\$ 22,175,899	\$ 24,543,000	\$ 24,071,000
41-001-xxx-xxxxx	Mid-Connecticut Recycling Facility	\$ 1,797,182	\$ 1,376,000	\$ 1,839,000
41-001-601-xxxxx	Waste Processing Facility	\$ 16,829,973	\$ 17,653,975	\$ 16,729,200
41-001-602-xxxxx	Power Block Facility	\$ 16,736,673	\$ 17,866,000	\$ 18,276,000
41-001-604-xxxxx	Landfill - Hartford	\$ 2,119,997	\$ 1,268,000	\$ 1,248,000
41-001-605-xxxxx	Landfill - Ellington	\$ 1,146,351	\$ 249,500	\$ 231,000
41-001-xxx-xxxxx	Transfer Stations	\$ 1,638,734	\$ 2,293,000	\$ 2,242,000
41-001-620-xxxxx	171 Murphy Road	\$ 19,586	\$ 50,000	\$ 50,000
41-001-xxx-xxxxx	Jets / EGF	\$ 8,498,568	\$ 9,535,000	\$ 9,441,000
<b>Total Expenditures</b>		\$ 91,689,104	\$ 99,921,774	\$ 107,226,946
<b>Balance</b>		\$ 5,778,946	\$ -	\$ -

(a) The fiscal year 2010 Use of Prior Year Surplus reflects the accelerated use of a portion of fiscal year 2008 surplus in the amount of \$4 million as requested by the Mid-Connecticut Project Advisory Committee.



# CRRA - MID-CONNECTICUT PROJECT

## EXPENDITURE DETAILS

Account	Description	ACTUAL FY10	ADOPTED FY11	PROPOSED FY12
<b>ADMINISTRATIVE EXPENSES</b>				
41-001-501-57871	Indirect Labor, Overhead, & Benefits	\$ 4,797,280	\$ 3,700,000	\$ 3,408,000
41-001-501-xxxxx	Direct Labor & Overhead	(b)	\$ -	\$ 922,000
	Subtotal Administrative Expenses	\$ 4,797,280	\$ 3,700,000	\$ 4,330,000
<b>OPERATIONAL EXPENSES</b>				
41-001-501-57872	<b><u>DIRECT OPERATIONAL LABOR, OVERHEAD, &amp; BENEFITS</u></b>			
	Subtotal Direct Operational Labor, Overhead, & Benefits	(b)	\$ 1,932,600	\$ 1,922,000
<b><u>ASSET PROTECTION &amp; STATUTORY COMPLIANCE</u></b>				
41-001-501-52115	Advertising/Legal Notices/Recycling Events Promotion	\$ 31,985	\$ 20,000	\$ 40,000
41-001-501-52502	Fees/Licenses/Permits	\$ 325	\$ 500	\$ 500
41-001-501-52505	Claims/Losses	\$ 43,162	\$ -	\$ 50,000
41-001-501-52602	Bad Debt Expense	\$ 350	\$ -	\$ 500
41-001-501-52856	Legal	\$ 1,893,646	\$ 2,080,000	\$ 800,000
41-001-501-xxxxx	Contribution to Litigation Reserve	\$ -	\$ -	\$ 1,950,000
41-001-501-52863	Operational Auditing	\$ 55,866	\$ 10,000	\$ 10,000
41-001-xxx-xxxxx	Insurance Expenditures	\$ 998,502	\$ 1,353,000	\$ 1,238,000
	Subtotal Asset Protection & Statutory Compliance	\$ 3,023,836	\$ 3,464,000	\$ 4,089,000
<b><u>ENGINEERING, TECHNOLOGY, AND EQUIPMENT/FACILITY EXPENSES</u></b>				
41-001-501-52899	Engineering & Technology Consulting Services	\$ 99,823	\$ 200,000	\$ 130,000
41-001-501-54482	Computer Hardware	\$ -	\$ 6,000	\$ 24,000
41-001-501-54483	Computer Software	\$ -	\$ 4,000	\$ 3,000
41-001-505-52658	Contribution to Rolling Stock Reserve	\$ -	\$ -	\$ 920,000
41-001-601-52668	Contribution to Facility Modification Reserve	\$ 2,199,996	\$ 4,637,000	\$ 6,000,000
41-001-501-58001	Operational Contingency	\$ 12,620	\$ 22,849	\$ 11,746
	Subtotal Engineering, Technology, and Equipment/Facility Expen	\$ 2,312,439	\$ 4,869,849	\$ 7,088,746
<b><u>OTHER OPERATING EXPENSES</u></b>				
41-001-501-52101	Postage & Delivery Fees	\$ 3,055	\$ 5,000	\$ 5,000
41-001-501-52108	Printing Services	\$ 13,960	\$ 5,000	\$ 5,000
41-001-501-52118	Communications Services	\$ 4,075	\$ 50,000	\$ 50,000
41-001-501-52202	Office Supplies	\$ 4,707	\$ 5,000	\$ 5,000
41-001-501-52302	Miscellaneous Services	\$ 3,819	\$ 2,000	\$ 4,000
41-001-501-xxxxx	Meetings & Training	\$ 3,056	\$ 7,500	\$ 5,000
41-001-501-52615	Temporary Agency Services	\$ 5,848	\$ 30,000	\$ 30,000
41-001-501-52859	Financial Services	\$ 9,498	\$ 45,000	\$ 50,000
41-001-501-xxxxx	Contribution to Post Project Closure Reserve		\$ -	\$ 750,000
	Subtotal Other Operating Expenditures	\$ 48,018	\$ 149,500	\$ 904,000
	<b>Subtotal Operational Expenses</b>	\$ 5,384,293	\$ 10,415,798	\$ 14,003,746

(b) Budgeted in the General Fund

# CRRA - MID-CONNECTICUT PROJECT

## EXPENDITURE DETAILS

Account	Description	ACTUAL FY10	ADOPTED FY11	PROPOSED FY12
<b><u>TAXES, MUNICIPAL SUBSIDIES, &amp; PILOTS</u></b>				
41-001-601-52507	WPF Pilot	\$ 2,747,790	\$ 3,089,000	\$ 3,072,000
41-001-603-52507	EGF Pilot	\$ 1,743,788	\$ 1,789,000	\$ 1,832,000
41-001-xxx-52508	Transfer Station Pilots	\$ 154,173	\$ 156,000	\$ 213,000
41-001-506-52659	City of Hartford Recycling Education Reimbursement	\$ 150,000	\$ 150,000	\$ 150,000
41-001-605-52504	Ellington Landfill Assessment / Taxes	\$ -	\$ 7,500	\$ 2,000
41-001-505-52508	Municipal Subsidies	\$ 362,188	\$ 378,000	\$ 368,000
41-001-602-52506	Solid Waste Assessment (Dioxin Tax)	\$ 970,398	\$ 975,000	\$ 981,000
41-001-620-52507	171 Murphy Road Pilot	\$ 50,473	\$ 52,000	\$ 55,000
	<b>Subtotal Taxes, Municipal Subsidies, &amp; Pilots</b>	\$ 6,178,810	\$ 6,596,500	\$ 6,673,000
<b><u>DEBT SERVICE</u></b>				
41-001-502-52856	Legal	\$ -	\$ 5,000	\$ 50,000
41-001-502-52859	Financial Services	\$ 1,000	\$ 2,000	\$ 1,800
41-001-502-55525	Interest - 96 Series	\$ 713,482	\$ 518,000	\$ 308,200
41-001-502-55560	Principal Repayment	\$ 3,643,750	\$ 3,840,000	\$ 4,053,000
41-001-502-55585	Bank/Trustee Fees	\$ 7,525	\$ 10,000	\$ 10,000
	<b>Subtotal Debt Service</b>	\$ 4,365,757	\$ 4,375,000	\$ 4,423,000
<b><u>PROJECT TRANSITION COSTS</u></b>				
41-001-xxx-xxxxx	Contribution to Transition Fund	\$ -	\$ -	\$ 3,670,000
	<b>Subtotal to Project Transition Costs</b>	\$ -	\$ -	\$ 3,670,000
<b><u>WASTE TRANSPORT</u></b>				
41-001-505-52701	Contract Operating Charges	\$ 4,319,055	\$ 4,430,000	\$ 4,882,000
41-001-505-52710	Disposal Fees - Solid Waste (Bypass) (c)	\$ 1,092,450	\$ 1,623,000	\$ 551,000
41-001-505-52711	Ash Disposal (d)	\$ 8,836,197	\$ 10,313,000	\$ 10,095,000
41-001-505-52716	Non-Processible and Process Residue Disposal Fees (e)	\$ 7,928,197	\$ 8,177,000	\$ 8,543,000
	<b>Subtotal Waste Transport</b>	\$ 22,175,899	\$ 24,543,000	\$ 24,071,000

(c) Reflects transportation and disposal of bypass waste to out-of-state landfill and other in-state locations (e.g., Preston)

(d) Reflects transportation and disposal of ash to alternative landfill after 12/31/08.

(e) Reflects transportation and disposal of non-processible waste and process residue to alternative landfill after 12/31/08.

# CRRA - MID-CONNECTICUT PROJECT

Account	Description	ACTUAL FY10	ADOPTED FY11	PROPOSED FY12
<b><u>MID-CONNECTICUT RECYCLING FACILITY</u></b>				
<b>REVENUES</b>				
41-001-000-42101	Recycling Sales	\$ 1,926,042	\$ 1,470,000	\$ 1,982,000
41-001-000-45150	Miscellaneous Income	\$ 1,695	\$ 3,000	\$ 3,000
	<b>Total Revenues</b>	\$ 1,927,737	\$ 1,473,000	\$ 1,985,000
<b>EXPENDITURE DETAILS</b>				
41-001-506-52115	Advertising/Legal Notices/Recycling Events Promotion	\$ 11,356	\$ 45,000	\$ 25,000
41-001-506-52116	Contribution to the RESWI Fund	\$ -	\$ -	\$ 500,000
41-001-506-52118	Communications Services	\$ 136,517	\$ 100,000	\$ 100,000
41-001-506-xxxxx	Meetings & Training	\$ -	\$ 1,000	\$ 1,000
41-001-506-52404	Building Operations	\$ 121,167	\$ 170,000	\$ 185,000
41-001-506-52407	Project Equipment Maintenance	\$ 11,815	\$ 34,500	\$ 35,500
41-001-506-52415	Ground Maintenance	\$ 33,172	\$ 48,000	\$ 48,000
41-001-506-52502	Fees/Licenses/Permits	\$ 3,000	\$ 4,000	\$ 3,500
41-001-506-52617	Municipal Events	\$ 46,971	\$ 80,000	\$ 80,000
41-001-506-52620	Member Delivery Credit	\$ 674,766	\$ -	\$ -
41-001-506-52858	Engineering Consultants	\$ 2,017	\$ 40,000	\$ 50,000
41-001-506-52901	Environmental Testing	\$ 6,515	\$ 7,000	\$ 10,500
41-001-506-53304	Electricity	\$ 49,012	\$ 63,800	\$ 64,000
41-001-506-53309	Other Utilities	\$ 9,704	\$ 23,700	\$ 34,000
41-001-506-xxxxx	Direct Administrative Labor & Benefits	\$ -	\$ -	\$ 69,000
41-001-506-57872	Direct Operational Labor & Benefits	\$ 417,880	\$ 450,000	\$ 252,000
41-001-621-xxxxx	Hartford Education (See Detail below)	\$ 273,183	\$ 309,000	\$ 381,500
41-001-508-xxxxx	Stratford Education	\$ 107	\$ -	\$ -
	<b>Subtotal Mid-Connecticut Recycling Facility</b>	\$ 1,797,182	\$ 1,376,000	\$ 1,839,000
<b>HARTFORD EDUCATION</b>				
41-001-621-52118	Communications Services	\$ 3,342	\$ 25,000	\$ 50,000
41-001-621-52202	Office Supplies	\$ 103	\$ 1,000	\$ 1,000
41-001-621-52203	Educational Supplies	\$ 3,272	\$ 5,000	\$ 10,000
41-001-621-52303	Subscriptions/Publications/Ref. Material	\$ 490	\$ 500	\$ 500
41-001-621-52304	Dues-Professional Organizations	\$ 210	\$ -	\$ 500
41-001-621-xxxxx	Meetings & Training	\$ 4,118	\$ 3,500	\$ 3,500
41-001-621-52418	Education Exhibits Maintenance	\$ 45,277	\$ 41,000	\$ 50,000
41-001-506-xxxxx	Direct Administrative Labor & Benefits	\$ -	\$ -	\$ 81,000
41-001-621-57872	Direct Operational Labor & Benefits	\$ 216,371	\$ 233,000	\$ 185,000
	<b>Subtotal Hartford Education</b>	\$ 273,183	\$ 309,000	\$ 381,500

# CRRA - MID-CONNECTICUT PROJECT

## EXPENDITURE DETAILS

Account	Description	ACTUAL FY10	ADOPTED FY11	PROPOSED FY12
<b>WASTE PROCESSING FACILITY</b>				
41-001-601-xxxx	Scale house Expenses	\$ 12,475	\$ 18,500	\$ 28,000
41-001-601-52407	Project Equipment Maintenance	\$ 3,406	\$ 10,500	\$ 71,000
41-001-601-52502	Fees/Licenses/Permits	\$ 4,325	\$ 6,000	\$ 6,000
41-001-601-52618	Odor Control System (MCAPS) Fuel	\$ 709	\$ 15,000	\$ 15,000
41-001-601-xxxx	Contract Operating Charges- MDC (07/01/11 - 12/30/11)	\$ 16,454,000	\$ 17,055,975	\$ 8,844,150
41-001-601-xxxx	Contract Operating Charges- NAES (12/31/11 - 06/30/12)	\$ -	\$ -	\$ 7,345,050
41-001-601-52701	Subtotal Contract Operating Charges	\$ 16,454,000	\$ 17,055,975	\$ 16,189,200
41-001-601-52709	Other Operating Charges	\$ 109,757	\$ 135,500	\$ 153,000
41-001-601-52713	Odor Control System (MCAPS) Charges	\$ 150,494	\$ 160,000	\$ 160,000
41-001-601-52858	Engineering Consultants	\$ 89,005	\$ 199,000	\$ 50,000
41-001-601-52901	Environmental Testing	\$ 5,802	\$ 53,500	\$ 57,000
	<b>Subtotal Waste Processing Facility</b>	\$ 16,829,973	\$ 17,653,975	\$ 16,729,200
<b>POWER BLOCK FACILITY</b>				
41-001-602-52502	Fees/Licenses/Permits	\$ 303,284	\$ 357,000	\$ 373,000
41-001-602-52611	Revenue Sharing Expense (Covanta)	\$ 2,505,076	\$ 2,800,000	\$ 2,715,000
41-001-602-52614	Lime	\$ 1,215,495	\$ 1,154,000	\$ 1,120,000
41-001-602-52616	SNCR (Urea)	\$ 138,446	\$ 233,000	\$ 225,000
41-001-602-52702	Contract Ops Charge - Equipment (Covanta) (f)	\$ 3,809,123	\$ 4,153,000	\$ 4,236,000
41-001-602-52703	Contract Ops Charge - Management Fee (Covanta) (g)	\$ 1,527,940	\$ 1,565,000	\$ 1,463,000
41-001-602-52709	Contract Ops Charge - Personnel (Covanta) (g)	\$ 6,216,288	\$ 6,417,000	\$ 6,000,000
41-001-602-52714	Other Contract Operating Charges - Pass Through (Covanta) (f)	\$ 398,026	\$ 300,000	\$ 750,000
41-001-602-xxxx	Contract Operating Charges- NAES (Jun 2012) (h)	\$ -	\$ -	\$ 658,000
41-001-602-52858	Engineering Consultants	\$ 242,948	\$ 210,000	\$ 165,000
41-001-602-52901	Environmental Testing	\$ 120,354	\$ 228,000	\$ 161,000
41-001-602-52910	Continuous Emission Monitoring	\$ 123,148	\$ 140,000	\$ 160,000
41-001-602-53304	Electricity	\$ 136,545	\$ 309,000	\$ 250,000
	<b>Subtotal Power Block Facility</b>	\$ 16,736,673	\$ 17,866,000	\$ 18,276,000

(f) old contract; reflects expenses for 12 months (07/01/11 - 06/30/12)

(g) old contract; reflects expenses for 11 months (07/01/11 - 05/31/12)

(h) new contract; reflects expenses for one month (Jun 2012)

# CRRA - MID-CONNECTICUT PROJECT

## EXPENDITURE DETAILS

Account	Description	ACTUAL FY10	ADOPTED FY11	PROPOSED FY12
<b><u>HARTFORD LANDFILL</u></b>				
41-001-604-52104	Telecommunications	\$ 2,467	\$ 3,500	\$ 3,500
41-001-604-52115	Advertising/Legal Notices/Recycling Events Promotion	\$ 500	\$ -	\$ 500
41-001-604-52404	Building Operations	\$ 4,091	\$ 5,500	\$ 5,500
41-001-604-52407	Project Equipment Maintenance	\$ 36,216	\$ 56,000	\$ 37,500
41-001-604-52415	Ground Maintenance	\$ 42,609	\$ 86,000	\$ 68,000
41-001-604-52502	Fees/Licenses/Permits	\$ 16,891	\$ 28,000	\$ 28,500
41-001-604-xxxxx	Insurance Expenditures	\$ 51,091	\$ 112,000	\$ 94,000
41-001-604-52650	Contribution to Post Closure Reserve	\$ 1,200,000	\$ -	\$ -
41-001-604-52701	Contract Operating Charges	\$ 413,080	\$ 509,000	\$ 532,250
41-001-604-52709	Other Operating Charges	\$ 194,869	\$ 245,000	\$ 260,750
41-001-604-52858	Engineering Consultants	\$ 39,834	\$ 50,000	\$ 66,000
41-001-604-52901	Environmental Testing	\$ 90,676	\$ 132,000	\$ 120,500
41-001-604-53304	Electricity	\$ 27,673	\$ 31,000	\$ 30,000
41-001-604-58001	Operational Contingency	\$ -	\$ 10,000	\$ 1,000
	<b>Subtotal Hartford Landfill</b>	<b>\$ 2,119,997</b>	<b>\$ 1,268,000</b>	<b>\$ 1,248,000</b>
<b><u>ELLINGTON LANDFILL</u></b>				
41-001-605-52404	Building Operations	\$ 2,776	\$ -	\$ -
41-001-605-52407	Project Equipment Maintenance	\$ -	\$ 13,000	\$ 13,000
41-001-605-52415	Ground Maintenance	\$ 14,493	\$ 42,500	\$ 43,000
41-001-605-xxxxx	Fees	\$ 1,010	\$ 1,000	\$ 2,000
41-001-605-xxxxx	Insurance Expenditures	\$ 20,495	\$ 45,000	\$ 38,000
41-001-605-52650	Contribution to Post Closure Reserve	\$ 999,996	\$ -	\$ -
41-001-605-52709	Other Operating Charges	\$ 63,790	\$ 74,000	\$ 76,000
41-001-605-52858	Engineering Consultants	\$ 1,694	\$ 18,000	\$ 13,000
41-001-605-52901	Environmental Testing	\$ 30,718	\$ 38,000	\$ 33,000
41-001-605-53304	Electricity	\$ 11,379	\$ 18,000	\$ 13,000
	<b>Subtotal Ellington Landfill</b>	<b>\$ 1,146,351</b>	<b>\$ 249,500</b>	<b>\$ 231,000</b>

# CRRA - MID-CONNECTICUT PROJECT

## EXPENDITURE DETAILS

Account	Description	ACTUAL FY10	ADOPTED FY11	PROPOSED FY12
<b><u>TRANSFER STATION - ELLINGTON</u></b>				
41-001-610-xxxxx	Scale house Expenses	\$ 9,607	\$ 11,500	\$ 16,500
41-001-610-52407	Project Equipment Maintenance	\$ 7,964	\$ 10,500	\$ 12,000
41-001-610-52502	Fees/Licenses/Permits	\$ 2,250	\$ 3,200	\$ 3,000
41-001-610-52701	Contract Operating Charges	\$ 195,886	\$ 396,000	\$ 372,000
41-001-610-52858	Engineering Consultants	\$ 1,638	\$ 12,000	\$ 12,000
41-001-610-52901	Environmental Testing	\$ -	\$ 2,300	\$ 3,500
	<b>Subtotal Ellington TS</b>	\$ 217,345	\$ 435,500	\$ 419,000
<b><u>TRANSFER STATION - ESSEX</u></b>				
41-001-611-xxxxx	Scale house Expenses	\$ 8,968	\$ 11,500	\$ 11,000
41-001-611-52407	Project Equipment Maintenance	\$ 7,964	\$ 10,500	\$ 11,500
41-001-611-52502	Fees/Licenses/Permits	\$ 2,250	\$ 3,500	\$ 3,000
41-001-611-52701	Contract Operating Charges	\$ 244,121	\$ 606,000	\$ 590,500
41-001-611-52858	Engineering Consultants	\$ 2,020	\$ 12,000	\$ 12,000
41-001-611-52901	Environmental Testing	\$ 1,387	\$ 4,000	\$ 6,000
41-001-611-57822	CREPA Reimbursements	\$ 58,000	\$ 58,000	\$ 58,000
	<b>Subtotal Essex TS</b>	\$ 324,710	\$ 705,500	\$ 692,000
<b><u>TRANSFER STATION - TORRINGTON</u></b>				
41-001-612-xxxxx	Scale house Expenses	\$ 28,284	\$ 11,500	\$ 11,500
41-001-612-52407	Project Equipment Maintenance	\$ 7,964	\$ 10,500	\$ 11,500
41-001-612-52502	Fees/Licenses/Permits	\$ 2,250	\$ 3,500	\$ 3,000
41-001-612-52701	Contract Operating Charges	\$ 559,685	\$ 576,000	\$ 562,000
41-001-612-52858	Engineering Consultants	\$ 4,679	\$ 12,000	\$ 12,000
41-001-612-52901	Environmental Testing	\$ 1,113	\$ 3,500	\$ 5,000
	<b>Subtotal Torrington TS</b>	\$ 603,975	\$ 617,000	\$ 605,000

# CRRA - MID-CONNECTICUT PROJECT

## EXPENDITURE DETAILS

Account	Description	ACTUAL FY10	ADOPTED FY11	PROPOSED FY12
<b><u>TRANSFER STATION - WATERTOWN</u></b>				
41-001-613-xxxxx	Scale house Expenses	\$ 3,629	\$ 9,500	\$ 9,500
41-001-613-52407	Project Equipment Maintenance	\$ 7,964	\$ 10,500	\$ 11,500
41-001-613-52502	Fees/Licenses/Permits	\$ 2,250	\$ 3,500	\$ 3,000
41-001-613-52701	Contract Operating Charges	\$ 476,194	\$ 497,000	\$ 486,500
41-001-613-52858	Engineering Consultants	\$ 2,165	\$ 12,000	\$ 12,000
41-001-613-52901	Environmental Testing	\$ 502	\$ 2,500	\$ 3,500
	<b>Subtotal Watertown TS</b>	\$ 492,704	\$ 535,000	\$ 526,000
<b><u>171 MURPHY ROAD</u></b>				
41-001-620-52104	Telecommunications	\$ 493	\$ 1,000	\$ 1,000
41-001-620-52404	Building Operations	\$ 5,123	\$ 26,000	\$ 26,000
41-001-620-52415	Ground Maintenance	\$ 130	\$ 2,000	\$ 2,000
41-001-620-xxxxx	Utilities	\$ 13,840	\$ 21,000	\$ 21,000
	<b>Subtotal 171 Murphy Road</b>	\$ 19,586	\$ 50,000	\$ 50,000

# CRRRA - JETS / ENERGY GENERATING FACILITY

## REVENUE AND EXPENDITURE SUMMARY

### REVENUES

Account	Description	ACTUAL FY10	ADOPTED FY11	PROPOSED FY12
<b>ENERGY</b>				
41-001-000-43104	Capacity	\$ 6,370,033	\$ 5,167,000	\$ 5,190,000
41-001-000-43104	Variable	Incl. Above	\$ 98,000	\$ 102,000
41-001-000-43104	Backstop	Incl. Above	\$ 13,000	\$ 13,000
41-001-000-43104	Black Start Credit	Incl. Above	\$ 790,000	\$ 794,000
	Subtotal Energy	\$ 6,370,033	\$ 6,068,000	\$ 6,099,000
<b>OTHER</b>				
41-001-000-46107	Interest Income	\$ 37,136	\$ 38,000	\$ 33,000
41-001-000-45151	Rental Income - Jets/EGF	\$ 39,350	\$ 42,000	\$ 43,000
	Subtotal Other	\$ 76,486	\$ 80,000	\$ 76,000
	Total Revenues	\$ 6,446,519	\$ 6,148,000	\$ 6,175,000

### EXPENDITURES

Account	Description	ACTUAL FY10	ADOPTED FY11	PROPOSED FY12
41-001-901-xxxxx	Jets/EGF Operational Expenses	\$ 159,890	\$ 510,000	\$ 325,000
41-001-951-xxxxx	Jets	\$ 1,904,780	\$ 1,811,000	\$ 1,665,000
41-001-952-xxxxx	Energy Generating Facility	\$ 6,433,898	\$ 7,214,000	\$ 7,451,000
	Total Expenditures	\$ 8,498,568	\$ 9,535,000	\$ 9,441,000
	Balance	\$ (2,052,049)	\$ (3,387,000)	\$ (3,266,000)



# CRRA - JETS / ENERGY GENERATING FACILITY

## EXPENDITURE DETAILS

Account	Description	ACTUAL FY10	ADOPTED FY11	PROPOSED FY12
<b><u>JETS/EGF OPERATIONAL EXPENSES</u></b>				
41-001-901-52856	Legal	\$ 20,834	\$ 355,000	\$ 75,000
41-001-901-xxxxx	Insurance Expenditures	\$ 22,050	\$ 24,000	\$ 24,000
41-001-901-52899	Engineering & Technology Consulting Services	\$ -	\$ 5,000	\$ 100,000
41-001-901-xxxxx	Direct Administrative Labor & Benefits	\$ -	\$ -	\$ 55,000
41-001-901-57872	Direct Operational Labor & Overhead	\$ 117,000	\$ 126,000	\$ 71,000
	<b>Subtotal Jets Operational Expenses</b>	\$ 159,890	\$ 510,000	\$ 325,000
<b><u>JETS</u></b>				
41-001-951-52502	Fees/Licenses/Permits	\$ 2,242	\$ 30,000	\$ 30,000
41-001-951-52507	Pilot	\$ 250,138	\$ 258,000	\$ 261,000
41-001-951-xxxxx	Insurance Expenditures	\$ 49,107	\$ 85,000	\$ 71,000
41-001-951-52701	Contract Operating Charges	\$ 1,397,758	\$ 1,203,000	\$ 1,083,000
41-001-951-52858	Engineering Consultants	\$ 54,928	\$ 100,000	\$ 60,000
41-001-951-53304	Electricity	\$ 150,607	\$ 115,000	\$ 160,000
41-001-951-54491	Other Equipment	\$ -	\$ 20,000	\$ -
	<b>Subtotal Jets</b>	\$ 1,904,780	\$ 1,811,000	\$ 1,665,000
<b><u>ENERGY GENERATING FACILITY</u></b>				
41-001-952-52404	Building Operations	\$ 7,863	\$ 17,000	\$ 17,000
41-001-952-xxxxx	Insurance Expenditures	\$ 190,100	\$ 219,000	\$ 184,000
41-001-952-52671	Contribution to EGF Reserve	\$ 1,100,004	\$ 1,700,000	\$ 2,200,000
41-001-952-52701	Contract Operating Charges (Covanta C1 Budget)	\$ 3,875,081	\$ 3,678,000	\$ 3,751,000
41-001-952-54491	Contract Capital Expenditures (Covanta C2 Budget)	\$ 690,908	\$ 1,187,000	\$ 775,000
41-001-952-52858	Engineering Consultants	\$ 223,589	\$ 160,000	\$ 160,000
41-001-952-53309	Other Utilities	\$ 346,353	\$ 253,000	\$ 364,000
	<b>Subtotal EGF</b>	\$ 6,433,898	\$ 7,214,000	\$ 7,451,000

# CRRA - MID-CONNECTICUT PROJECT

## FY12 Capital Improvement Plan (\$000's)

ROLLING STOCK		FY11 Adopted (1)	FY12 Proposed
Reserve Balance as of June 30, 2010	\$	2,591	
Loader Purchases/Rebuilds	\$	-	\$ 530
Other Rolling Stock	\$	366	\$ 585
Subtotal Capital Improvement	\$	366	\$ 1,115
Contributions to Reserve(2)	\$	(1,302)	\$ 920
<b>Estimated Reserve Balance</b>	<b>\$</b>	<b>923</b>	<b>\$ 728</b>

*Rolling Stock projects include equipment purchases to replace equipment currently owned by the BPF Operator, which include a mobile rubber tire grapple, forklifts, a lull, and other site-specific rolling stock (i.e., Ford F350 and F150, and a skid steer loader). In addition, the proposed budget includes regularly scheduled rebuild of two loaders.*

FACILITY MODIFICATIONS		FY11 Adopted (1)	FY12 Proposed
Reserve Balance as of June 30, 2010	\$	3,197	
Waste Processing Facility (WPF)	\$	1,267	\$ 4,690
Power Block Facility (PBF)	\$	3,735	\$ 8,328
Recycling Facility	\$	260	\$ 105
Transfer Stations	\$	61	\$ 43
Subtotal Capital Improvement	\$	5,323	\$ 13,166
Contributions to Reserve(3)	\$	8,157	\$ 9,000
<b>Estimated Reserve Balance</b>	<b>\$</b>	<b>6,031</b>	<b>\$ 1,865</b>

*WPF projects include the building repairs/upgrades, replacement of two picking station, rebuild of one conveyor line, refurbishment of secondary shredder cyclone hopper, purchase of a new secondary shredder 1250hp motor, installation of a storage building & implementation of new bale operation and installation of energy efficient lighting system.*

*PBF projects include upgrading gas burners, replacement of primary superheaters, replacement of one ash belt and refurbishment of the ash belt's platform, continued waterwall tube work, and installation of energy efficient lighting system.*

*Recycling facility projects includes miscellaneous up keeping and roof repairs.*

*Transfer station projects include paving, pushwall repairs and scale repairs.*

JETS / EGF / SOUTH MEADOWS		FY11 Adopted (1)	FY12 Proposed
Reserve Balance as of June 30, 2010	\$	7,118	
Jets	\$	3,505	\$ 460
Energy Generating Facility (EGF)	\$	4,895	\$ 640
South Meadows	\$	-	\$ -
Subtotal Capital Improvement	\$	8,400	\$ 1,100
Contributions to Reserve/Withdrawals	\$	1,700	\$ 2,200
<b>Estimated Reserve Balance</b>	<b>\$</b>	<b>418</b>	<b>\$ 1,518</b>

*Jets projects include one fee turbine rebuild and spare part replacement.*

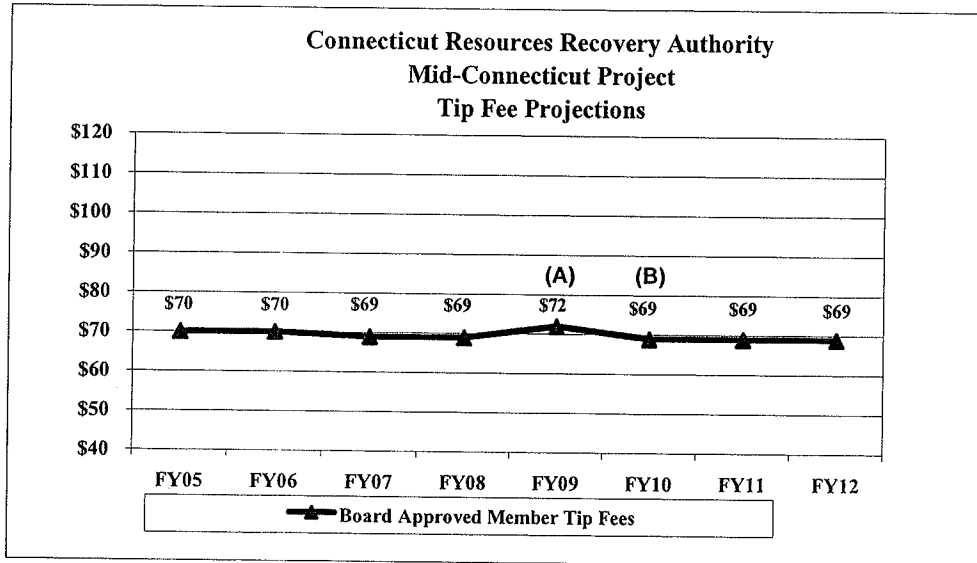
*EGF projects include continuing roof work repairs, hazardous material installation of an energy efficient lighting system.*

(1) FY11 adopted budget was adjusted to reflect projected expenditures including additional funds approved by the board.

(2) At its October 28, 2010, the Board approved the transfer of \$1.44M from the Rolling Stock Reserve to the Facility Modification Reserve and the Authority sold several pieces of equipment which totaled \$138,000.

(3) FY11 includes tip fee contributions of \$4.637M and transfers of \$1.44M from the Rolling Stock Reserve, \$399k from the Debt Service Stabilization Fund, \$2.676M from the Hartford Landfill Closure Reserve, and \$544k from the excess funds of the R&R and O&M Funds offset by a \$1.5M funding of June 2010 withdrawals in July 2010. FY12 contribution includes \$6,000,000 from tip fees and a \$3,000,000 transfer from the Hartford Landfill Post Closure Reserve which will be replenished from the R&R and O&M Funds once they become available.

# CRRA - MID-CONNECTICUT PROJECT



## Key Tip Fee Assumptions

- 1 Assumes member ton deliveries of 734,280 in FY12.
- 2 Reflects use of FY 2010 surplus of \$5.779M in FY 2012.
- 3 Reflect use of \$2.676M from \$5M State Bond for Hartford Landfill closure as a contribution to the Facility Modification Reserve.
  - \*Reflects additional contributions to the Hartford Landfill Post-Closure Reserve from the Hartford Landfill Closure Reserve of \$1,630,000.
  - \*Reflects transfer of \$694k to Litigation Reserve from Hartford Landfill Closure
- 4 Reflects transfer of the remainder of the Debt Service Stabilization Fund as a contribution to the Facility Modification Reserve.
- 5 Reflects use of \$8.32M from the Revenue Fund in FY12.
- 6 Reflects use of \$1.8M from the Risk Fund in FY 12.
- 7 Reflects \$920k to Rolling Stock Reserve contributions in FY12.
- 8 Reflects \$3.0M use of O&M and R&R accounts to replenish the Hartford Landfill Post Closure Reserve's FY 12 \$3.0M borrowing to fund the Facility Modification Reserve.
- 9 Reflects Facility Modification Reserve contributions of \$6.0M in FY12.
- 10 Reflects Jets/EGF capital contributions of \$2.2M in FY12.
- 11 Legal expenses include a contribution of \$1.95M in FY12 to the Litigation Reserve.
- 12 Reflects the establishment of the RESWI Reserve and a \$500k contribution in FY12.
- 13 Assumes a \$5/ton rebate of the FY10 recycling surplus in FY11.
- 14 FY 12 total estimated KWH sales of 402M kilowatts annually, based on 503 kwh/ton of MSW processed.
- 15 Reflects increase in electricity sale revenue for June 2012 estimated to be \$886,000 @ \$0.025 increase in kWh.
- 16 Use of Bond Proceeds (Debt Service Reserve Funds) in FY12.
- 17 Cost to operate facilities escalated by inflation and/or contract rates.
  - \*MDC contract through December 31, 2011.
- 18 WPF expenses reflect NAES estimated operations expenses from January 1, 2012 through June 30, 2012
- 19 Excludes MDC disputed expiration costs.
- 20 Covanta (PBF/EGF) contract through May 31, 2012.
- 21 PBF/EGF expenses reflect NAES estimated operations expenses from June 1, 2012 through June 30, 2012
- 22 First 250M kilowatts sales based on contract rates with Constellation and greater than 250M kilowatts sale with CL&P; contract with CL&P through May 31, 2012 ; contract with Constellation through June 30, 2012.
- 23 Contributions of \$750k in FY 12 for the Post Project Closure Reserve.
- 24 Reflects estimated transition costs of \$1.87M in the WPF, \$1.05M in the PBF, and \$750k in the EGF.
- 25 FY 12 inflation factor is 2.0%. For every 50 basis points the tip fee will change by approximately \$0.25/ton.
- 26 Does not reflect any potential changes from the 2011 legislative session.

- (A) The \$72/ton rate was reduced to \$62/ton for the period of 1/1/09 through 6/30/09 as a result of the acceleration of approximately \$4M of the FY08 surplus fund that would have been used to further reduce the FY10 tip fee
- (B) CRRA applied a \$6/ton subsidy to the \$69/ton rate, from the Debt Stabilization Reserve, reducing the billed FY 10 MSW expense to \$63/ton for the period of 7/1/09 through 6/30/10