STATE OF NEW HAMPSHIRE

Intra-Department Communication

DATE: March 22, 2010

AT (OFFICE): NHPUC

FROM: Maureen L. Reno MLR

Utility Analyst III

SUBJECT: Staff Recommendation Re: DE 10-060, New Hampshire Electric

Cooperative, Inc.'s Request for Class I and Class II Eligibility of its

Aggregated Customer-Sited Sources

TO: Chairman Thomas B. Getz

Commissioner Clifton C. Below Commissioner Amy L. Ignatius

Debra A. Howland, Executive Director and Secretary

CC: Jack K. Ruderman, Director of the Sustainable Energy Divis

Suzanne Amidon, Staff Attorney

Summary

On December 23, 2009, the New Hampshire Electric Cooperative, Inc (NHEC) submitted a letter to the Commission requesting certification of two NHEC aggregations (the wind power source aggregation, NHEC Class I Aggregation, and the photovoltaic source aggregation, NHEC Class II Aggregation) as eligible sources to produce Class I and Class II Renewable Energy Certificates (RECs) pursuant to New Hampshire's Electric Renewable Portfolio Standard law. The two aggregations represent all of NHEC's customer-sited wind power and photovoltaic facilities that have previously received New Hampshire Class I or Class II REC eligibility.

If the Commission were to approve this request, the NEPOOL generation information system (GIS) would recognize each aggregation as a single generator and issue RECs for both aggregations' total monthly output. Since the aggregation of multiple customer-sited sources is permitted by the N.H. Code of Administrative Rules Puc 2506 and the NEPOOL GIS, which is used to implement New Hampshire's RPS program, Staff recommends the Commission grant NHEC's request. Staff asks that the Commission approve this request before April 10, 2010, the NEPOOL GIS deadline for reporting fourth quarter 2009 electricity production from customer-sited and behind-themeter sources.

Analysis

The NHEC Class I Aggregation includes five customers-sited wind power facilities with a total installed capacity of 19.8 kilowatts that produced two RECs in 2009. The NHEC Class II Aggregation comprises 37 customer-sited photovoltaic facilities with a total installed capacity of approximately 98.4 kilowatts that produced five RECs in 2009. Because these facilities' output is verified and reported to the NEPOOL GIS by NHEC, which received independent monitor status by the Commission on May 12, 2009 in DE 09-006, the facilities are eligible to produce Class I or Class II RECs pursuant to the RPS statute. Each facility's New Hampshire certification code and effective date to receive Class I or Class II RECs are listed in Appendix A.

Staff supports NHEC's request for aggregation of its customer-sited wind power and photovoltaic facilities because the aggregations comply with Puc 2506.01 (c). Puc 2506.01 (c) states that an aggregator may aggregate fractional or whole certificates if the associated generation facilities use the same energy resource and technology, the sources are otherwise eligible to acquire certificates, and the sources' associated energy was produced in the same calendar year.

The NHEC aggregations would also comply with the NEPOOL GIS Operation Rules. Pursuant to the NEPOOL GIS Operating Rules 2.1 (a) (vi) and (c), multiple facilities represented by the same Non-NEPOOL generator representative may elect to be treated as a single GIS generator provided: 1.) the aggregation has a total nameplate capacity of less than five megawatts; 2.) all the facilities generate electricity from the same type of source; and 3.) the facilities are located in the same state. If the Commission were to approve NHEC's request, NHEC would then apply for a GIS facility code for each aggregation, which would allow NHEC to report the total monthly output of each aggregation in lieu of reporting output for each facility, thereby reducing administrative costs and avoiding lost RECs. 1

To ensure that NHEC does not receive Class I or Class II RECs from facilities not yet approved by the Commission, NHEC proposes to submit to the Commission a quarterly aggregation report 60 days after each quarter. On January 28, 2010, NHEC submitted such a report for fourth quarter 2009 in compliance with Puc 2505.09 (h) (3).

Recommendation

Staff has reviewed NHEC's request that the Commission certify the NHEC Class I Aggregation and the NHEC Class II Aggregation as eligible to produce Class I and Class II RECs, respectively. Staff recommends that the Commission grant NHEC's request before April 10, 2009, the NEPOOL GIS deadline for reporting fourth quarter 2009 output.

¹ Because the GIS rounds down to the nearest megawatt-hour, NHEC would reduce the amount of lost kilowatt-hours, and the resulting RECs, by reporting the output for each aggregation.

Appendix A: NHEC Class I and Class II Aggregations

Aggregations								
NHEC Class I Aggregation (Wind)								
Docket	NH Certification Code #	Effective Date	Total Gross Nameplate Capacity (kW)	RECs Produced in 2009 (MWh)*				
09-130	NH-I-09-029	July 17, 2009	10.00	0.93				
09-181	NH-I-09-046	September 21, 2009	2.40	0.45				
09-183	NH-I-09-047	September 21, 2009	2.60	0.43				
09-220	NH-I-09-055	November 9, 2009	2.40	0.15				
09-221	NH-I-09-056	November 9, 2009	2.40	0.80				
Total kW			19.80	2.33				
Number o	of facilities		5	2.55				
NUEC CI-								
	ass II Aggregation (P		1					
09-148	NH-II-09-039	August 17, 2009	3.60					
09-176	NH-II-09-043	September 21, 2009	4.41	0.91				
09-182	NH-II-09-044	September 21, 2009	2.00	0.40				
09-187	NH-II-09-045	September 21, 2009	2.43	0.50				
09-217	NH-II-09-052	November 9, 2009	1.36	0.06				
09-218	NH-II-09-053	November 9, 2009	4.90	0.71				
09-219	NH-II-09-054	November 9, 2009	2.10	0.43				
09-243	NH-II-09-063	November 30, 2009	3.10	0.19				
09-244	NH-II-09-064	November 30, 2009	3.28	0.22				
09-245	NH-II-09-065	November 30, 2009	3.36	0.25				
09-246	NH-II-09-066	November 30, 2009	2.28	0.14				
09-247 09-250	NH-II-09-067	November 30, 2009	3.28	0.27				
	NH-II-10-002	December 7, 2009	3.60	0.24				
09-251	NH-II-10-003	December 7, 2009	1.60	0.08				
09-252	NH-II-10-004	December 7, 2009	3.90	0.30				
09-253 09-254	NH-II-10-005	December 7, 2009	2.00	0.10				
09-254	NH-II-10-006	December 7, 2009	2.05	0.07				
09-257	NH-II-10-007	December 11, 2009	2.10	0.06				
09-258	NH-II-10-008	December 11, 2009	2.40	0.13				
09-259	NH-II-10-009	December 11, 2009	2.38	0.20				
09-259	NH-II-10-010	December 11, 2009	2.10	0.10				
09-271	NH-II-10-011	December 21, 2009	4.10	•				
09-271	NH-II-10-012	December 21, 2009	1.50					
09-272	NH-II-10-013	December 21, 2009	2.05					
09-278	NH-II-10-014	December 21, 2009	4.30	•				
09-278	NH-II-10-015	December 23, 2009	2.64	•				
09-279	NH-II-10-016	December 23, 2009	2.10	•				
09-281	NH-II-10-017	December 23, 2009	2.73					
03-201	NH-II-10-018	December 23, 2009	4.60					

Number of	facilities	37		
Total kW		98.42	5.85	
09-269	NH-II-10-026	December 21, 2009	0.16	•
09-260	NH-II-10-025	December 11, 2009	3.00	0.54
09-287	NH-II-10-024	December 23, 2009	2.20	•
09-286	NH-II-10-023	December 23, 2009	2.10	•
09-285	NH-II-10-022	December 23, 2009	2.16	•
09-284	NH-II-10-021	December 23, 2009	2.05	•
09-283	NH-II-10-020	December 23, 2009	2.10	•
09-282	NH-II-10-019	December 23, 2009	2.40	•

^{*}The NEPOOL-GIS will only create RECs in MWh and, as a result, it requires aggregators to report meter data in whole MWhs.