

Witness: Terrance J. Large  
Request from: Office of Consumer Advocate

**Question:**

Referring to Section X-C, PSNH's Renewable Strategy, starting on page 141, please provide a list of all proposals PSNH has received for the purchase of RECs, for a period in excess of one year, relating to years after 2010. Please provide the basis and workpapers underlying the analysis PSNH conducted to determine its response.

**Response:**

1A) The confidential attached table ("OCA-01, Q-OCA-052.xls") lists contracts that PSNH has executed for a period in excess of one year, relating to 2011 and forward.

1B) Below is a non-confidential summary of proposals that PSNH has received for a period in excess of one year, relating to 2011 and forward. The proposals all included both energy and RECs. Copies of these proposals were provided in the confidential responses to STAFF 1-17 and STAFF 1-17 RV01 in Docket DE 10-195.

Number of Proposals:	6
Fuel Types	5 Biomass and 1 Wind
New of Existing:	3 Biomass proposals are for existing units. The remaining proposals are from projects under various stages of development.
Aggregate Size (est. MW)	99.6 MW
Aggregate Volume (est. MWH)	760,000 MWH annually (420,000 from NH Class III. 340,000 from NH Class I)
Range of Term Lengths	3 - 20 years, some with options to extend
Range of Energy Prices (\$/MWh)	When energy is priced separately, the range is from 55.42 - \$75.00. Other offers are priced to include capacity and RECs. These range from \$125 - \$143 based on PSNH's analysis of the contract terms, e.g. fuel adjustment clauses, CPI escalations, etc.
Range of Capacity Prices (\$/kw-mo)	When capacity is priced separately, the range is \$3.50 - \$3.60 (some involve escalators)
Range of REC Prices (\$/REC)	\$25 - \$28 for NH Class III. There is a single proposal for \$39 (escalated) for NH Class I. The other NH Class I proposals involve "all-in" pricing, RECs are not priced separately.
Other Terms	4 of the Biomass proposals include wood fuel price adjustment mechanisms. One biomass proposal mentions "dispatch profit sharing". One biomass

proposal includes a refund to PSNH of any over-market energy payments at the conclusion of the contract term. The refund would be funded from any positive future pre-tax cash flows from operations or from an asset sale.

**Other notes**

One biomass proposal is not yet qualified for any NH RPS class, but proposes to seek qualification. Another biomass proposal recently had its NH Class 1 REC qualification revoked.

2) Workpapers and/or analyses are listed below.

- i) Communications between PSNH and the entities responsible for the above proposals are provided in the confidential response to STAFF 5-6 and STAFF 5-6 rev1 in Docket DE 10-195.
- ii) The confidential attached file ("Offer Summary Dec 2010.xls") provides a summary of the key terms of each proposal.
- iii) The confidential attached files ("Pinetree Offer analysis.xls" and "Bridgewater Offer analysis.xls") compare the Pinetree and Bridgewater proposals to a snapshot of the energy and REC markets from November 1, 2010.
- iv) Analyses related to the proposals from Clean Power Development and Concord Steam were provided in the response to STAFF 1-32 rev2 in Docket DE 10-195.

\*\* The requested information is being filed under the Motion for Protective Order dated March 18, 2011.