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THE STATE OF NEW HAMPSHIRE



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October 31, 2013

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William P. Short III Consultant 44 West 62nd Street PO Box 237173 New York, NY 10023-7173 278

Re: DE 12-287, Contoocook Hydro, LLC, Application for Certification as a REC Eligible Facility - Hopkinton Hydro Project, Letter of Deficiency

Dear Mr. Short:

On September 27, 2013, the Commission received the Contoocook Hydro, LLC (Contoocook Hydro) application for Class I renewable energy certificate (REC) eligibility for the 0.25 megawatt (MW) Hopkinton Hydro Project (Hopkinton Hydro). On October 9, 2013, the Commission received Contoocook Hydro's filing of additional information regarding completed improvements and historical generation output, together with a request for confidential treatment of this information due to its commercially sensitive nature. According to the application, Hopkinton Hydro is located in Contoocook, New Hampshire, and is registered with the NEPOOL Generation Information System under facility code MSS 919.

Staff has reviewed the application and requests additional information to support Contoocook Hydro's request to approve the Hopkinton Hydro project for Class I REC eligibility based on the increased average annual production of the facility from approximately 780 megawatt hours (MWh) to approximately 1,120 MWh. Contoocook Hydro previously requested and received Class IV eligibility based on its electric generation nameplate capacity of .250 MW.

Pursuant to RSA 362-F:4, I (i), Class I REC production includes the "incremental new production of electricity in any year from ... any hydroelectric generating facility ... over its historical generation baseline, provided the commission certifies demonstrable completion of capital investments attributable to the efficiency improvements, additions of capacity, or increased renewable energy output that are sufficient to, were intended to, and can be demonstrated to increase annual renewable electricity output. The determination of incremental production shall not be based on any operational changes at

such facility but rather on capital investments in efficiency improvements or additions of capacity."

Please provide the following additional information in support of the application for Class I REC eligibility based on the incremental increase in generation output of the Hopkinton Hydro project:

- 1. Provide additional detailed information demonstrating that the improvements made to the Hopkinton Hydro project are capital investments rather than needed operational and maintenance improvements.
- 2. Describe in detail how individual capital investments have increased production in kWh and the causal connection between these investments and the increased electricity production.
- 3. Explain how each capital investment has increased production and by what amount; quantify the percentage increase per month due to the capital investments.
- 4. Provide a copy of all information submitted to the Rhode Island Public Utilities Commission and/or its consultant in support of the Hopkinton Hydro application in Docket No. 4357, and furnish a copy of any report or recommendation prepared by the Rhode Island PUC staff or consultant.
- 5. Provide a detailed analysis that clearly demonstrates any increases in MW generation capacity of the Hopkinton Hydro project.

The Commission seeks to clarify these issues to ensure that the record supports a determination regarding Hopkinton Hydro's eligibility as a Class I source of renewable energy certificates based on its incremental increases in generation output.

Please refer to docket number **DE 12-278** in your correspondence with the Commission. Your response should include an original and two copies sent to the attention of the Commission's Executive Director:

Debra A. Howland Executive Director New Hampshire Public Utilities Commission 21 South Fruit Street, Suite 10 Concord, NH 03301-2429 <u>executive.director@puc.nh.gov</u>

Please also send an electronic copy via email to <u>executive.director@puc.nh.gov</u>, and copy me at <u>barbara.bernstein@puc.nh.gov</u>. Should you have any questions, please

do not hesitate to contact me. My direct line is 603-271-6011. I look forward to working with you.

Sincerely, crista 21.2 -

Barbara Bernstein Sustainable Energy Analyst

cc: David K. Wiesner, NHPUC Staff Attorney Jack Ruderman, Director, Sustainable Energy Division