

MONADNOCK PAPER MILLS, INC.

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March 19, 2014

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

**Re: DE 13-318 Monadnock Paper Mills Application for Certification of the
Monadnock Dam Power Station as a Class I REC Eligible Facility**

Dear Executive Director Howland,

Hydro Management Group, LLC as aggregator and agent for Monadnock Paper Mills Inc. is pleased to submit the following responses to the Commission's requests for additional information received via letter dated December 8, 2013 regarding Monadnock Paper Mills Inc.'s application for qualification as a NH Class I REC eligible facility.

- (1) *Is the Monadnock Station a "customer-sited source" under the New Hampshire RPS law? A "customer-cites source" is defined in RSA 362-F:2, V as "a source that is interconnected on the end-use customer's side of the retail electricity meter in such a manner that it displaces all or part of the metered consumption of the end-use customer."*

Yes, Monadnock Station is a customer-cited source according to RSA 362-F:2. Asset ID NON39419 "MONADNOCK STATION 1" has been set up with the NEPOOL GIS to report the incremental output from the 125 kV generator attributable to the installation of the flashboards. Asset ID NON39420 "MONADNOCK STATION 2" has been set up to report from the output from the 375 kV generator which was put into service in January 2013. Mr. William P. Short, III has been retained as the Independent Monitor, responsible for reading the meters assigned to NON39419 and NON39420 and entering the behind-the-meter generation for Monadnock Stations 1 and 2 with the NEPOOL GIS. Mr. Short's only relationship with Monadnock Paper Mills Inc. is that of an Independent Monitor. He is paid a flat fee for his services, independent of the facilities output.

(2) Is the electric generation output of the Monadnock Station reported to ISO New England?

No

(3) If not, then how will the output be reported to the NEPOOL-GIS administrator?

Mr. William P. Short, III , an approved Independent Monitor in the State of New Hampshire, will report the incremental output from MONADNOCK STATION 1 Asset ID NON39419 and MONADNOCK STATION 2 Asset ID NON39420. Mr. Short was approved as an Independent Monitor by the NH PUC under DE 09-255 dated April 7, 2010. (See Appendix 1)

(4) Is Monadnock Station registered with the NEPOOL-GIS system? RSA 362-F:6, I requires the Commission to use the NEPOOL-GIS system for REC tracking and reporting, and the GIS administrator requires that eligible renewable energy generation facilities be registered in their system.

Yes, the 125 kV generator at the Monadnock Station is registered with the NEPOOL-GIS under Asset ID NON39419 and the 375 kV generator is registered with the NEPOOL-GIS under Asset ID NON39420.

(5) Will Monadnock Station use an independent monitor to read meters and report output to the GIS administrator, and, if so, who will perform this function? Note that, pursuant to RSA 362-F:6, II, electricity produced from customer-cited sources that is not tracked by ISO New England must be monitored and verified by an independent entity designated by the Commission, which may include electric distribution companies.

Mr. William P. Short III, approved by the Commission in DE 09-255 as an independently monitor, effective April 7, 2010, will act as the independent monitor for Monadnock Station. Mr. Short will be responsible for reading the meters and reporting the output to the GIS administrator.

(6) Was the addition of flashboards to the Monadock Station dam required by law, regulation, order or directive? If so, please provide a copy of any such order or directive, or a citation to any such law or regulation.

Flashboards are included as part of the project description in Monadnock Station's FERC license No. 6597. See Appendix 2.

- (7) How will any power plant station service be excluded from the Monadnock Station generation output reported to the GIS administrator? Please describe the relevant metering configuration, monitoring procedures, and any calculations that will be used to determine the net amount of output to be reported. "Station service," or "parasitic load", means the portion of electric production used in the generation of power at the generation facility.*

Monadnock Station is a net seller, all of the generation produced by Monadnock Station is used by the commercial production of Monadnock Paper Mills Inc. Station service or parasitic load is purchased from Public Service Company of New Hampshire.

- (8) The following should be included with the application or a statement made that none exists:*

- (a) FERC project license and any amendments and annual license renewals or extensions (Project No. 6597);*

See attached Appendix 2 for FERC License No. 6597 issued August 27, 1984.

- (b) New Hampshire state permits and approvals;*

See attached Appendix 3 for NH State Water Quality Certification issued January 31, 2014

- (c) Interconnection agreement or approved interconnection study; and*

See attached Appendix 4 for PSNH interconnection report issued May 18, 1982.

- (d) RPS certifications obtained from other states (if certification has been approved in other states).*

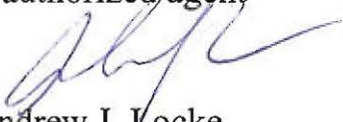
None

An original and two copies of this of this letter have been mailed to your attention. An electronic copy has also been sent via email to your attention at executive.director@puc.nh.gov, with a copy to Ms. Barbara Bernstein at Barbara.bernstein@puc.nh.gov.

Thank you for your consideration of this matter and please feel free to my colleague Stephen Hickey at 617-367-0032 or sjh@essexhydro.com with any further inquiries or requests for clarification.

Sincerely,

Monadnock Paper Mills Inc.
by Hydro Management Group, LLC
as authorized agent



Andrew J. Locke
REC Aggregator