Petition for Authorization Pursuant to RSA 362-A:2-A,II for a Purchase of LEEPA Output by the Private Secto RIGINAL

Docket No. DE 15-068

Datrd October 13, 2015

N.H.P.U.C. Gass No. DE 15-068

Exhibit No. #3

Witness August 6. Fromoth

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Clarification of FEL Response to Liberty 3-c

Staff received FEL's "clarification" of Liberty 3-c, but the clarification is merely a repetition of the original answer with the phrase "and 2% of its output to FEL" written some distance below the original answer. Please clarify this clarification.

Response:

The Clarification should have read as follows. The Response sent on October 2 was an earlier draft and should be discarded. Here is the correct version:

I. <u>Current deal structure</u>- Fiske sells 100 percent (%) of is output to Eversource; Eversource pays Fiske an amount 100% of its Short Term Avoided Cost Rate calculated in in accordance with ¶ 33, page 24 of the Eversource Delivery Tariff.

II. Proposed deal structure:

- (A) Fiske sells 98% of its output each hour, if any, to Eversource, and is paid 98% of the amount that Fiske would have been paid by Eversource absent Fiske's deal with FEL.
- (B) Fiske sells and FEL purchases 2% of Fiske's energy output, if any. (1) FEL pays Fiske an amount equal to 2% of the amount that Fiske would have been paid by Eversource absent Fiske's deal with FEL. (2) FEL will also pay Fiske an additional amount equal to 50% of the foregoing amount under (1) above.
- (C) Eversource bills FEL under Rate G except that Eversource credits and reduces all charges levied on a cents per/kwh basis based upon an amount of energy equal to 2% of Fiske's energy output.
- (D) If 2% of Fiske's energy output exceeds the amount of energy (kwh) consumed by FEL in any month, FEL will transfer and assign said excess to PSNH. (This is often referred to as a "use or lose" provision.)
