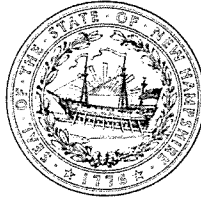


THE STATE OF NEW HAMPSHIRE



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August 7, 2008

William H. Smagula
Director, PSNH Generation
Public Service Company of New Hampshire
P.O. Box 330
Manchester, New Hampshire 03105-0330

Re: DE 08-044, Public Service Company of New Hampshire
Schiller Station Unit 5 Facility
Certification Application for Class I Eligibility pursuant to RSA 362-F

Dear Mr. Smagula:

On March 18, 2008, Public Service Company of New Hampshire (PSNH) submitted an application requesting certification for its Schiller Unit 5 facility as eligible to produce Class I renewable energy certificates (RECs) pursuant to RSA 362-F, New Hampshire's Renewable Portfolio Standard law. Staff has reviewed the application and recommends approval noting that the Schiller Unit 5 facility application was completed on June 27, 2008, with the exception of the New Hampshire Department of Environmental Services' (DES) approval of emission test results. On July 28, 2008, the Commission received notification from DES that the test results indicate that the Schiller Unit 5 facility meets the emission requirements. DES recommended that the Commission certify the Schiller Unit 5 facility as a Class I renewable energy source eligible to produce renewable energy certificates. Upon receiving that notification, the application was complete in accordance with N.H. Code Admin. Rules Puc 2500.

Class I eligibility requires a facility to have begun the production of electricity after January 1, 2006 and to use certain sources as the primary fuel to produce that electricity, one of which is eligible biomass technologies. RSA 362-F:2, II defines eligible biomass fuels as plant-derived fuel including clean and untreated wood such as brush, stumps, lumber ends and trimmings, wood pallets, bark, wood chips or pellets, shavings, sawdust and slash, agricultural crops, biogas, or liquid biofuels, but excludes any materials derived in whole or in part from construction and demolition debris. The generation unit must also have a quarterly average nitrogen oxide (NO_x) emission rate of less than or equal to 0.075 pounds/million British thermal units (lbs/Mmbtu), an average

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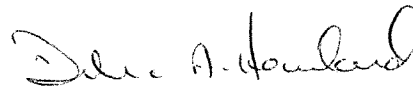
particulate emission rate of less than or equal to 0.02 lbs/Mmbtu as measured and verified under RSA 362-F:12; and use any other fuel only for start-up, maintenance, or other required internal needs.

The application indicates that Schiller Unit 5 is a new biomass-fired circulating fluidized bed boiler located at the PSNH Schiller Station, 400 Gosling Road, Portsmouth, NH. PSNH states that Schiller Unit 5 has a gross generation capacity of 50 megawatts and began commercial operation on December 1, 2006. The facility's NEPOOL generation information system facility code is MSS557.

The Commission has reviewed the Schiller Unit 5 facility application and determined that it has provided all the necessary documentation to demonstrate that the Schiller Unit 5 is eligible for certification as a Class I facility. Therefore, the Commission hereby certifies that PSNH's Schiller Unit 5 facility is a Class I renewable energy source effective July 28, 2008 and is eligible to be issued New Hampshire Class I renewable energy certificates.

Attached please find a copy of the notice of this certification provided to the GIS administrator. The New Hampshire Renewable Portfolio Standard certification code for the Schiller Unit 5 facility is NH-I-08-006.

Sincerely,

A handwritten signature in dark ink, appearing to read "Debra A. Howland". The signature is fluid and cursive, with the first name "Debra" being more prominent.

Debra A. Howland
Executive Director and Secretary

Encl.