STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: January 21, 2009

AT (OFFICE): NHPUC

Maureen L. Reno MCR FROM:

Utility Analyst III

DE 08-133, University of New Hampshire's Application for Class I SUBJECT:

Eligibility Pursuant to RSA 362-F

Staff Recommendation

Chairman Thomas B. Getz TO:

> Commissioner Graham J. Morrison Commissioner Clifton C. Below

Debra A. Howland, Executive Director and Secretary

Jack K. Ruderman, Director of the Sustainable Energy Division CC:

Suzanne Amidon, Staff Attorney

Summary

On October 30, 2008, the University of New Hampshire (UNH) submitted an application requesting the Commission grant approval of its combined heat and power landfill methane gas facility (UNH CHP Plant) to produce Class I Renewable Energy Certificates (RECs) pursuant to RSA 362-F, New Hampshire's Electric Renewable Portfolio Standard law. Pursuant to RSA 362-F:4, I, Class I eligibility requires a facility to have begun the production of electricity after January 1, 2006 and to use certain sources to produce electricity, one of which is methane gas.

Pursuant to RSA 362-F, the Commission, in a non-adjudicative process, must issue a determination of whether a facility meets a particular classification within 45 days of a completed application. The UNH CHP Plant is a 7.9 megawatt methane gas facility and began commercial operation on September 12, 2006. The applicant has another 4.6 megawatt methane gas plant (UNH Power Plant) located at the same address and has applied separately for New Hampshire Class I eligibility. See Staff Memo for DE 08-129. The UNH CHP Plant meets the Class I eligibility requirements under RSA 362-F:4, I and UNH has complied with the N. H. Code Admin. Rule Puc 2500 and has provided all the necessary information. Based on its review of the application, Staff recommends that the Commission approve the UNH CHP Plant as eligible for Class I RECs.

Analysis

The UNH CHP Plant is located at 22 Colovos Road, Durham, New Hampshire. The project's initial commercial operation date was September 12, 2006. It has a gross nameplate capacity of 7.9 megawatts. The facility does not have an ISO-New England asset identification number as it is a behind-the-meter facility. At this time the facility does not have a NEPOOL GIS facility identification number. According to the applicant, the GIS facility code is pending state application approval. Once the code is administered, the applicant will forward it to the Commission.

Given that the UNH CHP Plant is a behind-the meter source, its metered generation data is not recorded in the ISO-NE market settlement system and, as a result, the facility has to self-report its generation data to GIS. According to GIS Operating Rule 2.1(a) (vii), the GIS will create RECs for facilities with a nameplate capacity greater than 5 megawatts that have to self-report their generation data, as is the case for the UNH facility, provided that the facility is a demand resource in the ISO-NE Forward Capacity Market and either provides the GIS administrator with meter data meeting the requirements of the ISO-NE Operating Procedure No. 18 or causes a third party meter reader to provide this data. The UNH CHP Plant has a Measurement and Verification Plan on file with ISO-NE that demonstrates that the UNH CHP Plant meets the ISO-NE Operating Procedure No. 18. As a result, the GIS will create RECs associated with the electricity generated and self-reported by the UNH CHP Plant.

Pursuant to Puc 2505.02 (b) (8), the applicant must submit proof that it has "an approved interconnection study on file with the commission, is a party to a currently effective interconnection agreement, or is otherwise not required to undertake an interconnection study." The applicant submitted its interconnection agreement titled "Operating Agreement for Purposes of Wheeling and Power Sales" with Public Service Company of New Hampshire dated November 29, 2005, which has been reviewed by Staff.

Pursuant to Puc 2505.02 (b) (11), the applicant shall include a statement as to whether the facility has been certified under another non-federal jurisdiction's renewable portfolio standards and proof thereof. The applicant stated that it submitted this application for eligibility under the Massachusetts, Connecticut, Rhode Island and Maine's renewable portfolio standard programs, which are still pending.

Recommendation

Staff has reviewed UNH's application for its landfill methane gas plant and can affirm it is complete pursuant to N. H. Code Admin. Rule Puc 2500. Staff recommends that the Commission certify the UNH CHP methane gas plant as being eligible for Class I

¹ See NEPOOL Market Committee Minutes dated October 21, 2008. http://www.isone.com/committees/comm_wkgrps/mrkts_comm/mrkts/mins/2008/mc_minutes_08102122.doc

RECs effective December 23, 2008, the date on which Staff was able to make a determination that the facility met the requirements for certification as a Class I renewable energy source.