

# STATE OF NEW HAMPSHIRE

## Intra-Department Communication

**DATE:** August 17, 2011  
**AT (OFFICE):** NHPUC

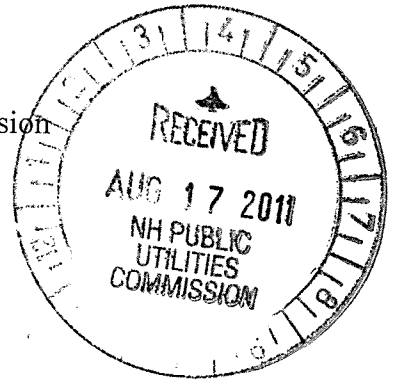
**FROM:** Barbara Bernstein *BB*  
Sustainable Energy Analyst

**SUBJECT:** Re: Docket No. DE 11-140

- Black Bear HVGW, LLC's Application for Class IV Eligibility of the Howland Hydroelectric Project pursuant to RSA 362-F.
- Staff recommends eligibility be granted.

**TO:** Chairman Thomas B. Getz  
Commissioner Clifton C. Below  
Commissioner Amy L. Ignatius  
Debra A. Howland, Executive Director

**CC:** Jack K. Ruderman, Director, Sustainable Energy Division  
Suzanne Amidon, Staff Attorney



### *Summary*

Staff has reviewed the Black Bear HVGW, LLC (Black Bear) Howland Hydroelectric Project<sup>1</sup> application and determined that it meets the eligibility requirements under RSA 362-F4, IV as a Class IV hydroelectric facility and complies with the New Hampshire Code of Administrative Rules Puc 2505.02. Staff recommends Commission approval for this facility for Class IV Renewable Energy Certificates (RECs) effective July 8, 2011.

### *Background*

On June 13, 2010, Black Bear submitted an application requesting the Commission grant approval of the Howland Hydroelectric Project (FERC No. 2721) to produce Class IV Renewable Energy Certificates (RECs) pursuant to RSA 362-F, New Hampshire's Renewable Portfolio Standard law. Class IV eligibility requires that a facility began operation prior to January 1, 2006, has a nameplate capacity of five megawatts or less, has installed upstream and downstream diadromous fish passages, and when required, has

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<sup>1</sup> The Howland Hydroelectric Project is a run-of-river hydroelectric generating facility located on the Piscataquis River, about 500 feet above the confluence with the Penobscot River in Howland, Maine.

documented applicable state water quality certification pursuant to section 401 of the Clean Water Act (RSA 362-F:4, IV.)

The Commission, in a non-adjudicative process, is required to issue a determination of whether a facility meets a particular classification within 45 days of receipt of a completed application (RSA 362-F:11,1). The Howland project application was completed on July 8, 2011 after receipt of answers to a deficiency letter dated June 29, 2011. The Howland project meets the eligibility requirements under RSA 362-F:4, IV as a Class IV facility and complies with the New Hampshire Code of Administrative Rules Puc 2500.

### *Overview*

- The Howland facility is a run-of-river hydroelectric facility located on the Piscataquis River, about 500 feet above the confluence with the Penobscot River in Howland, Maine. The Howland facility has a total gross nameplate capacity of 1.875 megawatts. The facility initially began operation in 1916. The Howland facility currently operates under the Federal Energy Regulatory Commission (FERC) license No. 2721, which was initially issued on September 12, 1980 and was reissued on March 29, 1999.<sup>2</sup> The facility's NEPOOL generation information system facility code is MSS 16524.
- On May 18, 2010 FERC issued a Final Environmental Assessment (FEA) for the construction of a fish bypass channel at the Howland Dam.<sup>3</sup>
- To be certified to produce Class IV RECs, the Howland project is required to have upstream and downstream diadromous fish passages (RSA 362-F: 4, IV); these have been constructed and have received FERC licensing effective January 10, 2011.
- The applicant must demonstrate that it has the respective state water quality certification required by Section 401 of the Clean Water Act for hydroelectric projects. The Howland project has submitted the final State of Maine, Department of Environmental Protection order approving a permit (under the State of Maine Waterway Development and Conservation Act) granting water quality certification under Section 401 of the Clean Water Act for the construction of a fish bypass channel at the existing Howland Dam. Additionally, notice of inspection of the Howland Project operation by the Maine Department of Marine Resources on June 28, 2011 was provided.

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<sup>2</sup> An original license was issued for the Howland project on September 12, 1980, with an effective date of 1962. This license expired September 30, 2000. Bangor-Hydro Electric Company (the owner at the time) filed for a new license on September 28, 1998. The review of that application was suspended. The license was subsequently transferred to Penobscot Hydro; the licensee's name was later changed to PPL Maine, LLC. Approving Transfer of License (issued April 1, 1999) and 93 FERC62.076 Order Amending Licenses (issued October 31, 2000). The license was transferred from PPL Maine to the Penobscot River Restoration Trust in January 2009 with the effective date of December 17, 2010. Black Bear holds the lease to run the project for the non-profit Penobscot River Restoration Trust.

<sup>3</sup> State of Maine, Department of Environmental Protection Final Order, page 7. July 20, 2010.

- The applicant must submit proof that it has “an approved interconnection study is on file with the commission, is a party to a currently effective interconnection agreement, or is otherwise not required to undertake an interconnection study” as required by Puc 2505.02 (b) (8). The facility’s interconnection agreement between Bangor Hydro Electric Company and PP& L Global, Inc., the parent of PPL Maine, effective May 27, 1999 has been provided.
- Puc 2505.02 (b) (11) requires the applicant to include a statement and verification that the facility has been certified under another non-federal jurisdiction’s renewable portfolio standards. The Howland project qualifies as a Class II renewable energy source in the State of Maine.

### ***Recommendation***

Based on its review of the application, Staff recommends that the Commission approve the Howland hydroelectric facility as eligible for Class IV RECs effective July 8, 2011.