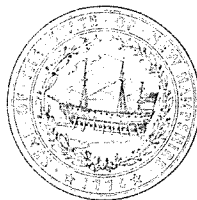


THE STATE OF NEW HAMPSHIRE

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Debra A. Howland



PUBLIC UTILITIES COMMISSION

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December 20, 2012

Andrew Locke
Vice President
Hydro Management Group, LLC
c/o Essex Hydro Associates, LLC
55 Union Street, 4th Floor
Boston, MA 02108

Re: **DE 12-210**, Hydro Management Group, LLC's Eligibility Request for the Spaulding Ave. Industrial Complex, LLC, Spaulding Pond Hydroelectric Facility to Produce Class I, New Hampshire Renewable Energy Certificates (RECs) Pursuant to RSA 362-F **New Hampshire Certification Code NH-I-12-089**

Dear Mr. Locke:

On July 13, 2012, Hydro Management Group, LLC (Hydro Management) submitted an application requesting Class IV certification for the Spaulding Ave. Industrial Complex, LLC (Spaulding Ave. Industrial Complex) – Spaulding Pond Hydroelectric facility (Spaulding Pond Hydro) pursuant to RSA 362-F, New Hampshire's Renewable Portfolio Standard law and Laws of 2012, Chapter 0272. Staff reviewed the Hydro Management certification request and determined that the facility was not eligible for Class IV RECS because the project began commercial operation August 17, 2010. Pursuant to RSA 362-F, Class IV hydroelectric facilities are required to have begun operation prior to January 1, 2006.

On July 30, 2012, Staff requested that Hydro Management resubmit the Spaulding Pond Hydro application requesting Class I eligibility. The Class I application request was received August 01, 2012. Clarification was sought via email on August 22, 2012 and again on September 14, 2012. Additional information was requested on October 08, 2012 and a response, which completed the application, was received November 06, 2012. Staff has determined that the applicant meets the eligibility requirements under RSA 362-F:4, as a Class I renewable energy source effective November 06, 2012.

Spaulding Pond Hydro is located on the Salmon Falls River in Rochester, NH. It is a run-of-river facility that includes a 165-foot by 23-foot high dam, three head gates, a powerhouse and other appurtenances. The nameplate capacity of the facility has been verified by the GIS as .300 megawatts of electrical production. The project began commercial operation August 17, 2010. Spaulding Ave. Industrial Complex has demonstrated that at least 80 percent of its

resulting tax basis of the source's plant and equipment is derived from capital investment directly related to restoring generation or increasing capacity. Staff has reviewed the application and recommends approval, noting that the Spaulding Pond Hydro application was completed on November 06, 2012 in accordance with New Hampshire Code of Administrative Rules Puc 2500.


Prior to the Spaulding Ave. Industrial Complex's restoration of the dam, the facility had been inoperable for 10 to 15 years. The City of Rochester clarified that the City attributed no value to the turbine and dam when the property was assessed following the current owner's purchase. Therefore, Staff recommends that 100 percent of the facility's output be qualified as a Class I hydroelectric facility.

Hydro Management provided FERC approvals for Spaulding Pond Hydro under project number (3985-000) as well as a copy of the Interconnection Agreement for Purposes of Generation Interconnection between Public Service Company of New Hampshire (PSNH) and Spaulding Ave. Industrial Complex, LLC, dated August 01, 2010.

The Commission has reviewed the Spaulding Pond Hydro application and determined that all the necessary documentation has been provided to demonstrate that it is eligible for Class I certification. Therefore, the Commission hereby certifies Spaulding Pond Hydro as a Class I renewable energy source eligible to be issued New Hampshire Class I RECs effective November 06, 2012 for 100 percent of its electrical production.

The facility's NEPOOL generation information system (GIS) facility code is MSS 35379. 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 Spaulding Pond Hydro is NH-I-12-089.

Sincerely,



Debra A. Howland
Executive Director

cc: Andrew Locke, Hydro Management Group, LLC

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December 20, 2012

James Webb
Registry Administrator
APX Environmental Markets
224 Airport Parkway, Suite 600
San Jose, CA 95110

Re: **DE 12-210**, Hydro Management Group, LLC's Eligibility Request for the Spaulding Ave. Industrial Complex, LLC, Spaulding Pond Hydroelectric Facility to Produce Class I, New Hampshire Renewable Energy Certificates (RECs) Pursuant to RSA 362-F
New Hampshire Certification Code NH-I-12-089

Dear Mr. Webb:

Please be advised that the New Hampshire Public Utilities Commission has certified the Spaulding Ave. Industrial Complex, LLC, Spaulding Pond Hydroelectric Facility (Spaulding Pond Hydro) facility as a Class I renewable energy source effective November 06, 2012 pursuant to NH RSA 362-F. Accordingly, Spaulding Pond Hydro is eligible to be issued New Hampshire Class I RECs for 100 percent of its electrical production.

Spaulding Pond Hydro, located on the Salmon Falls River in Rochester, NH, is a run-of-river facility with a nameplate capacity of .3 megawatts of electrical production. Spaulding Pond Hydro began commercial operation August 17, 2010. Hydro Management Group, LLC has provided evidence that Spaulding Pond Hydro operates in compliance with the Federal Energy Regulatory Commission fish passage restoration requirements (Project Number 3985-000), and has provided a copy of the Interconnection Agreement for Purposes of Generation Interconnection between Public Service Company of New Hampshire (PSNH) and Spaulding Ave. Industrial Complex, LLC, dated August 1, 2010. The facility's NEPOOL generation information system (GIS) facility code is MSS 35379. The New Hampshire Renewable Portfolio Standard certification code is NH-I-12-089.

Sincerely,

Debra A. Howland
Executive Director

cc: Andrew Locke, Hydro Management Group, LLC

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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Docket #: 12-210-1 Printed: December 21, 2012

FILING INSTRUCTIONS:

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with:
DEBRA A HOWLAND
EXEC DIRECTOR
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429
- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.