

**ENERGETIC ENTERPRISES INC.
80 BALTIC STREET
ENFIELD, NH 03748**

Tim Taylor
603.252.0804
no e-mail

REC-1304714-1102

Debra A Howland
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

RE: DE 13-235. Response to letter of December 27, 2013, Energetic Enterprises Application for Certification of Baltic Mill Enterprises Hydroelectric Project as a Class IV REC Eligible Facility.

Dear Ms. Howland,

In response to Barbara Bernstein's letter of December 27th, 2013, we submit the following summary. Please see attachments for additional information.

1. In response to Question 1, we confirm that the use of the term "grandfathered" means that the Baltic Mills hydroelectric plant was built prior to enactment of the Federal Power Act, and has been in near continuous operation since its construction, thereby relieving it from the obligation to obtain a license or exemption from the Federal Energy Regulatory Commission.

A history of the American Woolen Company states that Baltic Mills has been in operation prior to 1898, when the mill was sold to the Baltic Mills Company. At that point, the Baltic Mill "*was providing lighting for the mills, furnishes light for the streets of the town and for use in dwellings and stores, from its 600 light alternating dynamos*" (Attachment A).

A file search at NH Department of Environmental Services shows that in 1922, the site had two hydroelectric turbines, one 75 KW, and one 300 KVA (which is equal to 300 KW) for a synchronous machine, for a combined capacity of 375 KW. The larger unit is not currently operational. Please see Attachment B.

2. In response to Question 2, please find a letter from NH Department of Environmental Services stating that Baltic Mills is a permitted and registered dam currently in compliance with the rules and regulations (Attachment C). There are no other permits or state approvals that are required. In 1983, the NH PUC in DE 82-21 made an offer of settlement to Baltic Mill, a hydroelectric facility in Enfield NH stating that Granite will pay for energy purchased from qualifying small power producers (Attachment D).

3. In response to Question 3, please see Attachment B, which verifies the nameplate capacity of 75 and 300 KW, for a total of 375 KW. Please amend the original application to reflect this higher capacity. The larger unit is currently not operational, due to low power prices.

4. In response to Question 4, all metering is done on the 13.2 KV side, the high side of the transformer. Power in the station is used *before* it goes through utility metering. Since the meter is on the high side of the transformer, what is sold is surplus above the parasitic load used in the building. All parasitic

and power plant station service is excluded from the Baltic Mill generation output reported and calculated by NEPOOL GIS and confirmed by sales of power to Sterling Municipal Electric. Due to the location of the meter, no calculations are required.

I hope this clarifies your concerns. I would be happy to meet with Commission staff if necessary. Please find an original and two copies of this response, as well as an electronic copy sent to Barbara Bernstein.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Taylor", with a stylized flourish extending from the end.

Tim Taylor
President, Energetic Enterprises Inc.

cc: Barbara Bernstein

A sketch of the mills of the American Woolen Company

American Woolen
Company

BALTIC MILLS

ENFIELD, N. H.

The Baltic Mills, at Enfield, N. H., were established in 1886 by Benjamin Greenback of Danville, Vt., who conducted the business until 1893, when it was sold to the George Whitney Woolen Company of South Royalston, Mass. In 1898 the mill was sold to the Baltic Mills Company, a stock company of Enfield people, and May 15, 1899, to the American Woolen Company.

On December 9, 1899, one-half of the main mill was destroyed by fire, at a loss of \$100,000. This part has been rebuilt and the entire mill refitted, so that while the old mill had but forty-seven looms and five sets of cards in operation, the new mill will have seventy-two looms, or nearly double the capacity. The mills are large and commodious, amply lighted by hundreds of large windows by day, while at night electricity is used throughout both mills. This company, in addition to lighting its mills, furnishes light for the streets of the town and for use in dwellings and stores, from its 600-light alternating dynamos.

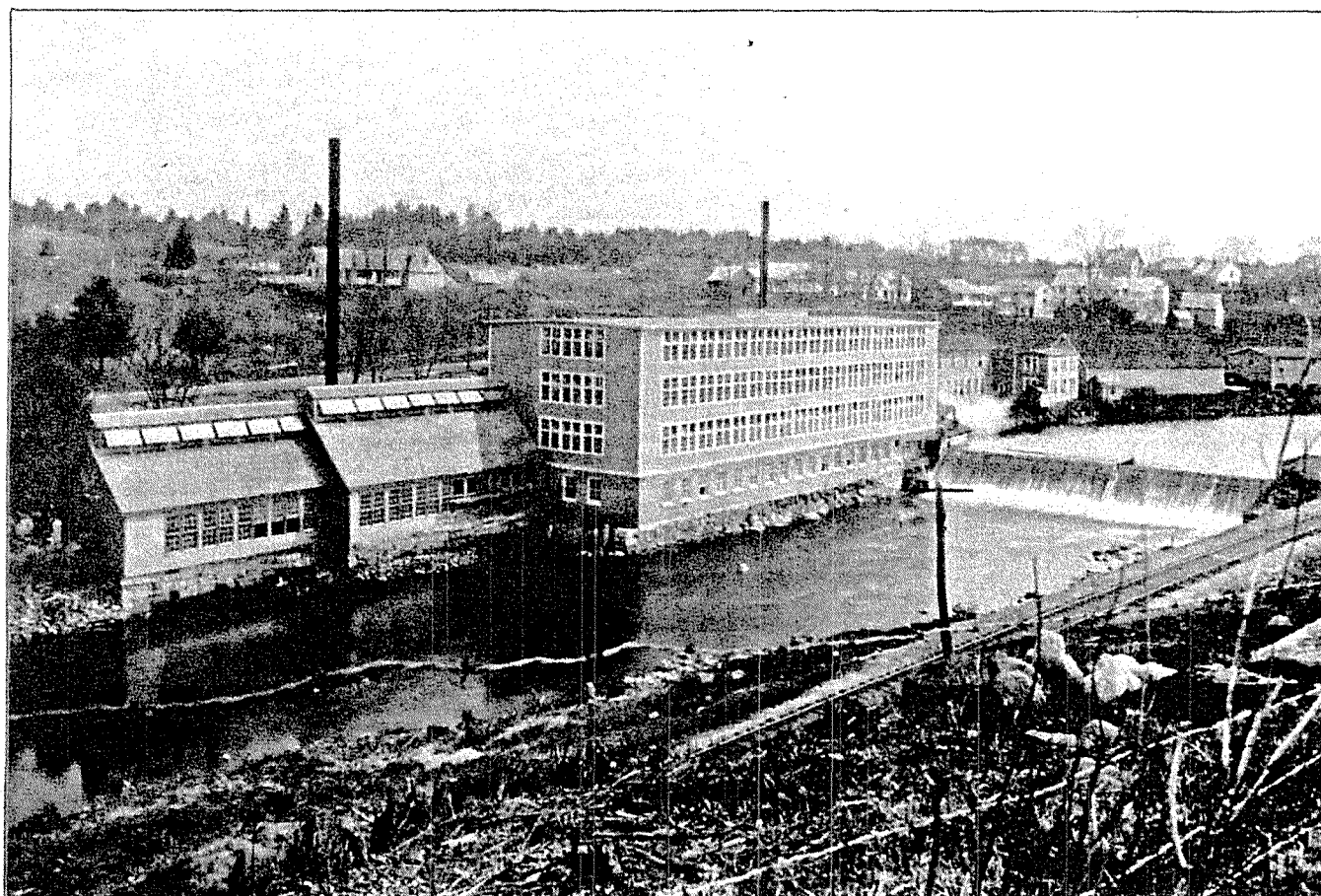
The mills are designed to run by water-power, but an efficient steam plant has been added, so that they are not wholly dependent upon the river. The mills are equipped with automatic sprinklers for fire protection, and a 40,000-gallon tank has been erected on a near-by hill to give the required pressure.

This new mill is one story higher than the old mill, and will employ about three hundred hands. The product comprises principally men's overcoating stock, and friezes, chinchillas, and cheviots are the leading goods. These mills form one of the chief industries of the town of Enfield.

A SKETCH OF THE MILLS
OF THE
AMERICAN WOOLEN
COMPANY



BOSTON, MASS.
AMERICAN WOOLEN COMPANY
MDCCCCI



BALTIC MILLS

ENFIELD, N. H.

MICROFILMED

MAR 12 1985

NEW HAMPSHIRE WATER RESOURCES BOARD

INVENTORY OF DAMS AND WATER POWER DEVELOPMENTS

DAM

BASIN Connecticut NO. 2 77.02 I 782 (131056.5)
 RIVER Mascowag MILES FROM MOUTH 13.55 D.A.SQ.MI 175 PSC
 TOWN Enfield OWNER American Woolen Co.
 LOCAL NAME OF DAM Baltic Mills
 BUILT 1919 DESCRIPTION Concrete

POND AREA-ACRES _____ DRAWDOWN FT. _____ POND CAPACITY-ACRE FT. _____
 HEIGHT-TOP TO BED OF STREAM-FT. 10 20.5 MAX. _____ MIN. _____
 OVERALL LENGTH OF DAM-FT. 100 120 MAX. FLOOD HEIGHT ABOVE CREST-FT. _____
 PERMANENT CREST ELEV.U.S.G.S. 792.8 LOCAL GAGE _____
 TAILWATER ELEV.U.S.G.S. 777.9 LOCAL GAGE _____
 SPILLWAY LENGTHS-FT. 100 103 FREEBOARD-FT. 5.5 left 3.5 right
 FLASHBOARDS-TYPE, HEIGHT ABOVE CREST 2.5
 WASTE GATES-NO. 1 WIDTH 4.0 MAX. OPENING 4.0 DEPTH SILL BELOW CREST 13.6

REMARKS Condition fair-good.
3 G. Mouth Mascowag R. 28.95 mi from Mouth Connecticut R.

POWER DEVELOPMENT

UNITS	NO.	RATED HP	HEAD FEET	C.F.S. FULL GATE	KW	MAKE
<u>Est.</u>	<u>180</u>	<u>14.9</u>				
	<u>240 PSC</u>	<u>14 PSC</u>				
	<u>240</u>	<u>8+14.0565</u>			<u>75 KW</u>	<u>G.E. 175V 600A 350 RPM DC</u>
					<u>300 KVA</u>	<u>G.E. 600V 289A 720 RPM AC</u>
<u>Mortensen</u>	<u>1</u>	<u>253</u>	<u>14</u>			<u>39" Hercules horizontal</u>
USE	<u>Power for woolen mill</u>					

REMARKS Primary HP 90% of time 210.45
Talked to R.W. Mortensen, Resident Agent who gave information on
power installation from report by Chas. T. Main, Consulting Engineer
Boston, Mass. Water wheel drives line shaft + generators are belt driven
from that. Main report say concrete dam 120' long 14' high to crest.

DATE 1931 AE 1922 PSC

9/9/37 17 15 H.S.

To be installed

NEW HAMPSHIRE WATER CONTROL COMMISSION
DATA ON WATER POWER DEVELOPMENTS IN NEW HAMPSHIRE

LOCATIONAT DAM NO. 77.02

Town Enfield : County Grafton
 Stream Mascoma River
 Basin-Primary Conn : Secondary Mascoma
 Local Name Baltic Mills

GENERAL DATA

Head-Max 14 ft. : Min 14 ft. : Ave 14 ft.
 Date of Construction : Use of Power Industrial
 Pondage ac. ft. : Storage ac. ft.

DESCRIPTION**Racks**

Size of Rack Opening
 Size of Bar : Material
 Area: Gross Sq. Ft. : Net sq. ft.

Head Gates

Type
 Number : Size ft. high x ft. wide
 Elevation of Invert : Total Area sq. ft.
 Hoist

Penstock

Number : Material
 Size : Length

Turbines

Number 1 : Makers 39" Hercules Horiz
 Rating HP. per unit : Total Capacity 240 HP.
 Max. Dement C.F.S., per unit : Total cfs.

Drive

Type

Generator

Number 2
 Make G E 1-75 K W 125 V 600 A 350 R P M D C
 Rating KW., per unit : Total Capacity 240 K. W.

Exciter

Number : Make
 Rating-per unit : Total Capacity K. W.

OUTPUT—KWHRS

19.....	:	19.....
19.....	:	19.....
19.....	:	19.....
19.....	:	19.....
19.....	:	19.....

OWNER American Woolen Co Enfield N. H.

Tabulation By A A N & R L T Date November 29, 1938



The State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES



Thomas S. Burack, Commissioner

May 9, 2014

Tim Taylor
President
Energetic Enterprises, Inc.
Baltic Mills Enterprises
80 Baltic Street
Enfield, NH 03748

**Re: DE 13-325, Energetic Enterprises Application for Certification of the Baltic Mill Enterprises Hydroelectric Project as a Class IV REC Eligible Facility
Baltic Mill Dam, No. 77.02, Enfield**

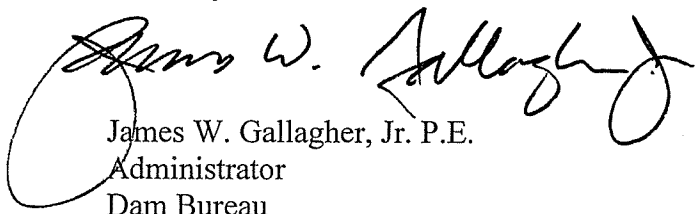
Dear Mr. Taylor:

I am writing to address Item No. 2 in a letter dated December 27, 2013 from the Public Utilities Commission requesting copies of any permits and approval issued by the Department of Environmental Services for the operation of the Baltic Mill hydroelectric project and related dam and other structures.

The Baltic Mill Dam is a permitted and registered dam by the Department of Environmental Services, Dam Bureau, and is currently in compliance with the Dam Bureau's rules and regulations.

If you have any questions or need additional information please contact me at 271-1961.

Sincerely,


James W. Gallagher, Jr. P.E.
Administrator
Dam Bureau

NH.PUC*01/05/83*[79511]*68 NH PUC 1*Northern Utilities, Inc.

[Go to End of 79511]

Re Northern Utilities, Inc.

DF 83-2, Order No. 16,136

68 NH PUC 1

New Hampshire Public Utilities Commission

January 5, 1983

ORDER amending a utility's short-term debt borrowing limitation.

SECURITY ISSUES, § 98 — Kinds and proportions — Short-term notes — Limitations and factors.

[N.H.] Although a utility's short-term borrowing was supposed to be limited to 10 per cent of its net fixed capital account, where the company had recently completed a fuel inventory financing, had made additions, improvements, and extensions to its plant, and would not be able to negotiate long-term financing, the commission authorized a much higher level of short-term debt for the company.

BY THE COMMISSION:

ORDER

WHEREAS, Northern Utilities, Inc., a New Hampshire Corporation having its principal place of business in Portsmouth, New Hampshire, and operating as a gas utility under the jurisdiction of this Commission, on December 30, 1982, filed with this Commission a petition changing its short-term borrowing limitation from \$8,500,000, as ordered in Order No. 16,009 issued November 19, 1982 (67 NH PUC 839), to \$8,000,000; and

WHEREAS, expiration of Order No. 16,009, places the Company under Supplemental Order No. 7446, which authorizes the Company to issue and have outstanding aggregate short-term indebtedness in amount not to exceed 10% of its net fixed capital account rounded to the highest \$10,000; and

WHEREAS, as of December 23, 1982 the Company completed a Fuel Inventory Financing which reduced the level of short-term bank debt to approximately \$5,000,000; and

WHEREAS, the Company expended \$1,624,275 in eleven months ending November 30, 1982 for additions, extensions and improvements to plant and equipment and estimates capital expenditures of \$1,931,700 in 1983; and

February, 1983.

ATTACHMENT A

Section 1 — Sheet 6 — Third Revision Section 2 — Sheet 1 — Fifth Revision Section 2
— Sheet 1A — Fourth Revision Section 2 — Sheet 1B — First Revision Section 3 —
PREFACE — Original Section 3 — Sheet 7 — Fifth Revision Section 3 — Sheet 12 —
Third Revision Section 3 — Sheet 13 — Fourth Revision Section 3 — Sheet 14 — Third
Revision Section 3 — Sheet 15 — Second Revision Section 3 — Sheet 17 — First
Revision Section 3 — Sheet 19 — First Revision Section 3 — Sheet 20 — Third
Revision Section 3 — Sheet 20A — Second Revision Section 3 — Sheet 21 — First
Revision Section 3 — Sheet 22 — Fourth Revision Section 3 — Sheet 27-33 — First
Revision Section 3 — Sheet 34-36 — Third Revision Section 3 — Sheet 37-40 — Fourth
Revision Section 3 — Sheet 40A-40C — First Revision Section 3 — Sheet 46 — Second
Revision Section 3 — Sheet 49 — Fourth Revision Section 3 — Sheet 54-59 — First
Revision Section 3 — Sheet 60 — Second Revision Section 3 — Sheet 61 — Third
Revision Section 3 — Sheet 62-64 — Second Revision Section 3 — Sheet 65-70 — First
Revision Section 7 — Sheet 26 — Second Revision

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Section 7 — Sheet 26A — First Revision Section 10 — Sheet 1-12 — First Revision
Section 11 — Sheet 1-2 — First Revision Section 11 — Sheet 3-39 — Original

NH.PUC*02/25/83*[79566]*68 NH PUC 88*Granite State Electric Company

[Go to End of 79566]

Re Granite State Electric Company

DE 82-21, Sixth Supplemental Order No. 16,240

68 NH PUC 88

New Hampshire Public Utilities Commission

February 25, 1983

ORDER approving settlement agreement on rehearing of avoided cost rates.

APPEARANCES: Michael Flynn, Granite State Electric Company; Timothy Taylor, Baltic Mills.

BY THE COMMISSION:

REPORT

In its Report and Fourth Supplemental Order No. 15,999 (November 19, 1982 [67 NH PUC 819]) the Commission established an avoided cost rate and a methodology for calculating that

rate for Granite State Electric Company (Company). On December 9, 1982 the Company filed a Motion for Rehearing. That Motion was granted by the Commission in Fifth Supplemental Order No. 16,058 (December 16, 1982). On February 22, 1983, the parties filed an Offer of Settlement which resolves all of the issues which were to be addressed on rehearing.

After due examination of the Offer of Settlement, the Commission finds that its terms are reasonable and in the public interest. Accordingly, we will approve the Offer of Settlement and terminate this docket. Since the Offer of Settlement refines the methodology for calculating the Company's avoided cost, it will be attached to this Report and Order as Appendix A and made a part hereof.

Our Order will issue accordingly.

SUPPLEMENTAL ORDER

Based upon the foregoing Report, which is made a part hereof and Appendix A which is attached hereto and made a part hereof; it is hereby

ORDERED, that the Offer of Settlement filed by the parties is approved; and it is

FURTHER ORDERED, that all parties comply with the provisions of the Report and Fourth Supplemental Order No. 15,999 as amended by the Offer of Settlement; and it is

FURTHER ORDERED, that the rehearing on this docket is otherwise terminated.

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By order of the Public Utilities Commission of New Hampshire this twenty-fifth day of February, 1983.

OFFER OF SETTLEMENT

This Offer of Settlement is jointly sponsored by Granite State Electric Company (Granite), Baltic Mill, a hydro-electric facility in Enfield, New Hampshire (Baltic Mill), and Staff of the Public Utilities Commission (Staff), collectively referred to as "the parties."

At the Commission's direction (letter of Secretary Iacopino, January 14, 1983), the parties met in an attempt to agree on the method for calculating the rate (the QF rate) that Granite will pay for energy purchased from qualifying small power producers. As a result of these discussions, the parties reached a full settlement that they now present for Commission review.

Granite, Baltic Mill, and Staff believe that taken as a whole this Offer of Settlement represents a reasonable basis for resolution of the issues in this docket, and the parties request its approval by the Commission. ☆

ARTICLE 1

Agreement

1.1 Rebuttal Testimony

Granite agrees to withdraw the rebuttal testimony of its witness, Dr. Frederick H. Pickel.

1.2 Weighting by Energy

The parties agree for settlement purposes to the methodology, originally proposed by Staff,

for determining the non-time-of-day QF rate by weighting the peak- and off-peak rates according to the peak- and off-peak energy generated by New England Power Company (NEP).

1.3 Time-of-Day Rates

(a) Purchases by Granite from QFs with an installed capacity of 100 kilowatts or above shall be at rates which vary according to the time of day. The necessary time-of-day meter shall be installed at the QF's cost and otherwise in accord with Supplemental Order No. 14,797 and Second Supplemental Order No. 14,910 (issued March 20 and April 20, 1981 in Docket No. DE 80-246). Granite will file a tariff specifying the cost it will charge QFs for the installation of time-of-day meters.

(b) The requirement of time-of-day purchases, referred to in subparagraph (a), shall not apply to Baltic Mill, which presently is Granite's only QF supplier 100 kilowatts or above. Baltic Mill at its option and cost, or Granite at its option and cost, may install and maintain a time-of-day meter and thereafter purchases from Baltic Mill shall be at time varying rates.

(c) At its option and cost, Granite may install and maintain a time-of-day meter at a QF with an installed capacity between 30 and 99 kilowatts. Thereafter, purchases from such QFs will be at time varying rates. Granite now has no QFs on its system with an installed capacity between 30 and 99 kilowatts.

(d) A QF with an installed capacity under 100 kilowatts, which does not have a time-of-day meter installed pursuant to subparagraph (c), shall be paid the averaged rate unless the QF decides at its option and cost to install a time-of-day meter. Granite shall install a time-of-day meter in these circumstances

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under the tariff referred to in subparagraph (a).

1.4 Variable Inventory Expense

The measure of inventory expense avoided by QF purchases shall not be a ratio based on charges under Pru-Lease, but shall be a ratio equal to the value of annual carrying charges on one day's maximum usage of # 6 oil at NEP's Brayton Point Unit No. 4 divided by total fuel expense for that unit.

1.5 Losses

(a) The losses avoided by purchasing energy from a QF with an installed capacity under 100 kilowatts shall be 150 percent at the average variable line and transformation losses shown in Appendix A to this settlement offer.

(b) The losses avoided by purchasing energy from a QF with an installed capacity of 100 kilowatts or above shall be the actual avoided losses determined through a study done for each individual QF by Granite at its cost.

(c) The losses avoided by purchasing energy from Baltic Mill shall be 12.46%, which has been determined by a study. Granite agrees to analyze whether power factor influences the losses avoided by purchases from Baltic Mill and, if so, Granite will revise the 12.46% figure.

(d) Granite shall file a tariff describing the general method for calculating losses for QFs 100 kilowatts or above.

1.6 Prospective Reconciliation

The reconciliation of the six month QF rate shall be based on actual fuel expense and estimated operation and maintenance expense. The method of calculating the incremental to average cost ratios, which determine the prospective six month QF rate and which form the basis for the reconciliation to actual fuel expense, is shown on Appendix B to this settlement offer.

1.7 Retroactive Adjustment

(a) After the New Hampshire Supreme Court's remand of a previous QF rate, Granite agreed to pay its existing QFs (Baltic Mill and two small residential windmills) a rate based on NEP's avoided fuel cost. Also, Granite volunteered to retroactively adjust its payments if a new QF rate by the Commission were higher.

(b) The parties agree to the use of a 100 megawatt increment/decrement in running the production cost model to calculate the retroactive adjustment.

(c) Granite filed for rehearing of the Commission's Fourth Supplemental Order No. 15,999 (issued November 19, 1982), which established a new QF rate in response to the Supreme Court's remand. Because the rehearing request would delay the calculation of a retroactive adjustment based on a final Commission order, Granite volunteered to make an interim retroactive adjustment for existing QFs based on Order No. 15,999 (*see* page 3 of Report to Order No. 16,106, issued December 29, 1982 in Docket No. DR 82-330). Accordingly, Granite paid: Baltic Mill \$ 13,371.05 on December 23, 1982; Jim Griffiths \$0.93 with the January power bill; and John Dodds \$ 8.23 with the January power bill.

(d) The payments referenced in subparagraph (c) were made with the understanding that Granite would recoup

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from the QFs any difference between a final Commission rate and the rate specified in Order No. 15,999. For settlement purposes, Granite will allow Baltic Mill to retain one-half of the difference; Granite will recoup the balance through power bills to Baltic Mill for the months of April, May, and June 1983. Granite will not seek recoupment of any portion of the difference from Mr. Griffiths or Dr. Dodd.

1.8 Effective Date and Filing Deadlines

(a) The parties agree that the QF rate approved by the Commission in Docket No. DR 82-330 for the first six months of 1983 (Order No. 16,106, issued December 29, 1982) should remain in effect through March 1983. If the Commission approves this settlement offer, Granite will file revised QF rates based on the settlement for energy to be purchased in April, May, and June 1983. This filing will be made with the second quarter fuel factor and OCA rate. The revised QF rates will be calculated by applying the settled methodology to the six months of estimated fuel and O&M cost information that was submitted by Granite on December 16, 1982 as part of its first quarter 1983 fuel factor application. At the end of the six month period January-June 1983,

Granite will perform a reconciliation and adjust for any difference greater than 10% between the estimated and actual energy rates that were in effect in the two quarterly sub-periods.

(b) Granite will use best efforts to submit the tariff sheets referred to in paragraphs 1.3(a) and 1.5(d) not later than May 1, 1983 and will attempt to do so with the second quarter 1983 fuel filing.

1.9 Moratorium

The parties agree not to petition the Commission for, or recommend in any way, changes to the settled method of calculating the energy QF rate for Granite, or changes to issues resolved in this Offer of Settlement, until January 1, 1985. The parties are free to petition or otherwise recommend that the Commission consider other issues, which include but are not limited to a capacity component of the rate and issues decided by the U. S. Supreme Court in *American Electric Power Co., Inc. v Federal Energy Regulatory Commission*.

1.10 Termination of Docket

Approval by the Commission of this Offer of Settlement terminates this docket.

ARTICLE II

Conditions

2.1 The making of this Offer of Settlement does not constitute an admission by a party that an allegation or contention regarding the settlement issues is true and valid.

2.2 The making of this Offer of Settlement establishes no principles, and approval of the offer by the Commission shall not constitute a determination by the Commission as to the merits of any allegation or contention regarding the settlement issues.

2.3 The discussions that have produced this Offer of Settlement have been conducted on the explicit understanding that they were and shall remain privileged.

2.4 This Offer of Settlement is expressly conditioned upon the Commission's approval of all its provisions

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without change or condition. If this offer is not approved by the Commission, it shall be deemed withdrawn and shall not constitute a part of the record in this proceeding or be used for any other purpose. Respectfully submitted, Larry Smukler New Hampshire Public Utilities Commission 8 Old Suncook Road Concord, New Hampshire 03301 (603) 271-2431 Attorney for Staff of the Public Utilities Commission Dated: Feb. 22, 1983 Warren H. Taylor, or Timothy Taylor Baltic Mill Enfield, New Hampshire 03748 (603) 632-5452 For Baltic Mill Dated: Feb. 23, 1983 Michael Flynn 25 Research Drive Westborough, Massachusetts 01581 (617) 366-9011 Attorney for Granite State Electric Company Dated: Feb. 18, 1983

Appendix A

Offer of Settlement

1981 AVERAGE LOSS STUDY