



Rockingham County Finance Office

119 North Road
Brentwood, New Hampshire 03833

Charles Nickerson, Finance Director
Tel. 603-679-9341 Fax. 603-679-9346
cnickerson@co.rockingham.nh.us

NHPUC 21MAY18PM2:49

May 18, 2018

Ms. Debra Howland
Executive Director
N.H. Public Utilities Commission
21 S. Fruit St.
Concord NH 03301

Re: Request for Waiver from Administrative Rule Puc 2505.04(i)

Dear Ms. Howland:

Pursuant to Puc 201.05, Waiver of Rules, Rockingham County respectfully requests a waiver from the stipulation that qualified thermal renewable energy certificate (T-REC) generators may only receive T-RECs on heat output beginning with the quarter following completion of emissions stack testing, as required under Puc 2505.04(i).

Rockingham County operates two biomass boilers to heat its nursing home, corrections facility and related administrative buildings at the county complex in Brentwood NH. One of these boilers was commissioned after January 1, 2013 and is thus qualified to generate thermal RECs under RSA 362-F. However, when the boiler was first installed, it could not meet the requirement under RSA 362-F for systems over 3 MMBTU that it operate with particulate emissions that are less than or equal to 0.1 lbs/MMBtu. It did, however, operate well below the permit requirement of 0.3 lbs/MMBtu.

In 2016, we commenced a process to install an electrostatic precipitator, the beneficial effect of which would be to greatly reduce the boiler's particulate emissions. This \$265,000 installation was financed with a loan from the N.H. Community Development Finance Authority (CDFA) Clean Energy Fund. When the system is fully operational and Rockingham County is generating T-RECs, we will transfer the ownership of these T-RECs to CDFA. CDFA will then sell the T-RECs into the market to recoup their investment. This innovative finance mechanism enabled Rockingham County to finance this substantial investment with no upfront capital obligation. The project has the unanimous support of the 86 member county legislative delegation, and would not have been approved without this creative financing mechanism.

For a variety of reasons, the project has been delayed in full operation, and CDFA is accruing unanticipated loan servicing costs because of the delay in repayment of the loan. We are requesting this waiver from the provisions of Puc 2505.04(i) so that we can qualify the boiler for T-REC generation as soon as the completed REC generator application is submitted to the PUC with certification from the NH Department of Environmental Services that the emissions can meet the particulate standard (the stack test was conducted in early April and preliminary results indicate the new particulate emissions to be dramatically lowered and well below the 0.1 lb/MMBtu requirement of RSA 362-F).

This waiver will allow Rockingham County to qualify its heat output for thermal RECs approximately 4-6 weeks before it would otherwise be able to. While this accelerated approval does not represent a lot of money, it will allow the County to begin repayment to CDFA more rapidly than otherwise.

We believe this request is fully in keeping with the demonstration of public interest test that must be met for the PUC to issue a waiver to an administrative rule, and we believe this request will not disrupt the orderly and efficient resolution of any related matters before the PUC. We believe granting this waiver in no way undermines the intent of the rule as it relates to administration of the thermal provisions of RSA 362-F. We respectfully request your expedited approval of this request.

Thank you very much for your consideration.

Sincerely,



Charles W. Nickerson
Director of Finance
Rockingham County