

STATE OF NEW HAMPSHIRE

Intra-Department Communication

DATE: January 6, 2010

AT (OFFICE): NHPUC

FROM: Maureen L. Reno *MLR*
Utility Analyst III

SUBJECT: Staff Recommendation Re: DE 09-106, DE 09-107, DE 09-108, DE 09-109, DE 09-110, DE 09-207, DE 09-208, DE 09-228, DE 09-229 and DE 09-230, Boston Community Capital Solar Energy Advantage, Inc.'s Request for Class II Eligibility of its Aggregated Customer-Sited Sources

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

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



Summary

On December 10, 2009, Boston Community Capital Solar Energy Advantage, Inc. (BCC) submitted a letter to the Commission requesting certification of the Boston Community Capital Solar Energy Advantage, Inc. Aggregation 1 (BCC Aggregation) as an eligible source to produce Class II Renewable Energy Certificates (RECs) pursuant to New Hampshire's Electric Renewable Portfolio Standard law. The BCC Aggregation represents all of BCC's customer-site photovoltaic facilities that have previously received New Hampshire Class II REC eligibility.

If the Commission approved this request, the Independent System Operator-New England Power Pool (ISO-NEPOOL) generation information system (GIS) would recognize all of the eligible BCC facilities as a single generator and issue RECs for this aggregation's total monthly output. Because the aggregation of multiple customer-sited sources is permitted by the NEPOOL GIS, and because the New Hampshire's RPS uses the NEPOOL GIS system pursuant to RSA 362-F:6 I, Staff recommends the Commission grant BCC's request. Staff asks that the Commission approve this request before January 10, 2010, the NEPOOL GIS deadline for reporting third quarter 2009 electricity production from customer-sited and behind-the-meter sources.

Analysis

The Commission recently approved ten BCC customer-sited photovoltaic sources as Class II REC eligible facilities. Each facility's New Hampshire certification code and effective date to receive Class II RECs are listed in the following table.

Commission Assigned Docket #	Facility Title	Facility Location	Total kW Listed in Application (DC Arrays)	Effective Date to Receive Class II RECs	NH Certification Code
DE 09-106	Washington Elms	131 Washington St., Cambridge, MA	92.1	August 3, 2009	NH-II-09-032
DE 09-107	Walden Square	21 Walden Sq., Cambridge, MA	76.9	August 3, 2009	NH-II-09-033
DE 09-108	North Village	341 West St., Pittsfield, MA	156.4	August 3, 2009	NH-II-09-034
DE 09-109	Riverview	8 Village Way, Webster, MA	198.7	August 3, 2009	NH-II-09-035
DE 09-110	Mishawum	338 Main St., Charlestown, MA	391.3	August 3, 2009	NH-II-09-036
DE 09-207	Champ Homes	75 & 82 School St., Hyannis, MA	34.1	October 29, 2009	NH-II-09-050
DE 09-208	Hopkinton Middle School	88 Hayden Rowe, Hopkinton, MA	95.2	October 29, 2009	NH-II-09-051
DE 09-228	Hopkinton Fire Station	73 Main St., Hopkinton, MA	10.85	November 17, 2009	NH-II-09-057
DE 09-229	Hopkinton Police Station	74 Main, St., Hopkinton, MA	25.2	November 17, 2009	NH-II-09-058
DE 09-230	Hopkinton High School	90 Hayden Rowe, Hopkinton, MA	193.4	November 17, 2009	NH-II-09-059

Because these facilities' output is verified and reported to the NEPOOL GIS by an independent monitor (PowerDash LLC (PowerDash)) in accordance with the NEPOOL GIS Operating Rules, the facilities are eligible to produce Class II RECs pursuant to the RPS statute.

Staff supports BCC's request for aggregation of its customer-sited photovoltaic facilities because the aggregation complies with the NEPOOL GIS Operation Rules.

Pursuant to the NEPOOL GIS Operating Rules 2.1 (a) (vi) and (c), multiple facilities represented by the same Non-NEPOOL generator representative may elect to be treated as a single GIS generator provided: 1.) the aggregation has a total nameplate capacity of less than five megawatts; 2.) all the facilities generate electricity from the same type of source; and 3.) the facilities are located in the same state. BCC has applied for and received a GIS facility code for the BCC Aggregation. This aggregation code, NON 32833, will allow PowerDash to report the total monthly output of the facilities in lieu of reporting output for each facility.

To ensure that BCC does not receive Class II RECs for output from facilities not approved for Class II eligibility during the third quarter 2009, BCC proposes to report to the Commission the third quarter 2009 Class II RECs associated with output from the facilities that received Class II eligibility on August 3, 2009 (the Washington Elms, Walden Square, North Village, Riverview and Mishawum facilities) before January 10, 2010, when it must submit such data to the NEPOOL GIS.¹ BCC will then provide fourth quarter 2009 output data associated with the total aggregation before the NEPOOL GIS deadline of April 10, 2010.² Specifically, BCC proposed to provide each facility's kilowatt-hours (kWh) produced during the relevant quarter, the total kWh produced prior to the Commission approval date to produce Class II RECs, and the total kWh produced after the Commission approval date for Class II RECs.

Staff also supports BCC's request as the aggregation would decrease the loss in revenues due to fractional RECs, reduce transactions costs and simplify reporting. Since the NEPOOL GIS requires Non-NEPOOL generators to report meter data for whole megawatt-hours, BCC would lose some revenue when PowerDash reports generation for individual facilities.³ If the Commission were to approve BCC's request, PowerDash would report total megawatt-hour output for the whole aggregation each month, thereby reducing the amount of lost kilowatt-hours. Aggregating BCC's facilities would also reduce the transactions costs of trading RECs because BCC would only have to negotiate the terms of sale of RECs from the whole aggregation in lieu of contracts for each individual facility. Finally, PowerDash would save time reporting to the NEPOOL GIS only the output of the total aggregation.

Recommendation

Staff has reviewed BCC's request that the Commission certify the BCC Aggregation as eligible to produce Class II RECs. Staff recommends that the Commission grant BCC's request before January 10, 2009, the NEPOOL GIS deadline for reporting third quarter 2009 output.

¹ The total gross nameplate capacity of the facilities approved on August 3, 2009 is 915.4 kilowatts. The estimated third quarter 2009 Class II RECs associated with output from these facilities is 168 RECs. The total RECs were derived by multiplying the total number of eligible hours in the third quarter by an assumed capacity factor of 13 percent and each facility's total gross nameplate capacity.

² The complete aggregation has a total gross nameplate capacity of 1,274 kW. The estimated fourth quarter RECs for the aggregation are 331 RECs.

³ See *NEPOOL GIS Operating Rule 2.1 (c)*.

