

STATE OF NEW HAMPSHIRE

Intra-Department Communication

DATE: November 18, 2010

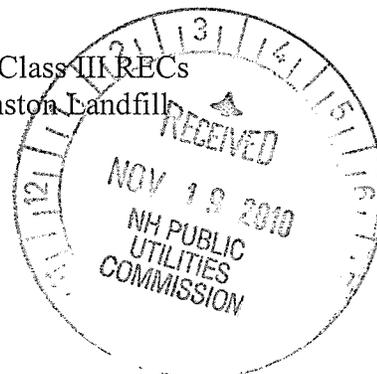
AT (OFFICE): NHPUC

FROM: Maureen L. Reno *MLR*
Utility Analyst

SUBJECT: DE 09-150 Nexant, Inc.'s Request to Reinstate NH Class III RECs
Generated during the First Quarter 2010 by the Johnston Landfill
Gas Facility

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 G. Amidon, Staff Attorney



On October 26, 2010, Paul R. MacGregor, Senior Vice President of Nexant, Inc. (Nexant) submitted a letter requesting that the Commission grant APX, Inc. (APX), the New England Power Pool (NEPOOL GIS) administrator, the authority to reinstate 1,655 New Hampshire Class III Renewable Energy Certificates (RECs) that were purchased but not banked into Nexant's NEPOOL GIS banked subaccount during the first quarter of 2010 trading period (July 15, 2010 to September 15, 2010), due to an oversight. These RECs are associated with electricity generated in January and February 2010 from the Johnston landfill methane gas facility (Johnston facility), which received Class III eligibility on October 2, 2009 (facility code: NH-III-09-042).¹

According to Mr. MacGregor, representatives of the Johnston facility deposited its sold RECs into Nexant's account. However, Nexant failed to transfer the above-mentioned RECs into its banked RECs subaccount before the trading period deadline, thereby allowing the GIS to automatically delete the aforementioned RECs. Fortunately, with the New Hampshire Public Utilities Commission's consent, the NEPOOL GIS Operating Rule 3.8 (d) allows for these RECs to be credited back to Nexant's account. Furthermore, pursuant to Rule 3.8 (d) (ii), these RECs must be reinstated to Nexant's

¹ James Webb, of APX, provided the serial numbers of the RECs which are January, 2010: 279668530 to 2796681082 and February, 2010: 2796691840 to 279662941.

account or subaccount no later than the expiration of the fourth quarter trading period relating to the year in which the RECs were generated.

Staff has reviewed Paul R. MacGregor's letter and supporting attestation stating that the Class III RECs have not been used for any other program or purpose.² Therefore, Staff recommends that the Commission approve Mr. MacGregor's request and grant APX the authority to reinstate the 1,655 Class III RECs associated with electricity generated by the Johnston facility during the first quarter 2010. Although the deadline to grant this authority is June 15, 2011, the end of the fourth quarter 2010 RECs trading period, Staff recommends that the Commission issue a secretarial letter as soon as possible.

² In response to Staff's request, Mr. MacGregor submitted the attestation on November 10, 2010.