STATE OF NEW HAMPSHIRE

Intra-Department Communication

DATE: November 10, 2009
AT (OFFICE): NHPUC

FROM: Maureen L. Reno, MLR
Utility Analyst

SUBJECT: Staff Recommendation Re: DE 09-192 Great Bay Hydro Corporation Certification Application for Class IV Eligibility of its Newport Hydroelectric Facility pursuant to RSA 362-F

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, Sustainable Energy Division JR
Suzanne Amidon, Staff Attorney

Summary

On October 9, 2009, Great Bay Hydro Corporation (Great Bay) submitted an application requesting the Commission grant approval of its Newport hydroelectric facility (Newport facility) to produce Class IV Renewable Energy Certificates (RECs) pursuant to RSA 362-F, New Hampshire's Renewable Portfolio Standard law. Pursuant to RSA 362-F:4, IV, Class IV eligibility requires that a facility began operation prior to January 1, 2006, has a nameplate capacity of five megawatts or less, has installed upstream and downstream diadromous fish passages, and when required, has documented applicable state water quality certification pursuant to section 401 of the Clean Water Act.

Pursuant to RSA 362-F, the Commission, in a non-adjudicative process, is required to issue a determination of whether a facility meets a particular classification within 45 days of a completed application. The Newport facility application was completed on October 9, 2009. The Newport facility meets the eligibility requirements under RSA 362-F:4, IV as a Class IV facility and complies with the N.H Admin Code Rule Puc 2500. Great Bay has provided all the necessary documents to receive certification as a Class IV facility. Based on its review of the application, Staff recommends that the Commission approve the Newport hydroelectric facility as eligible for Class IV RECs effective October 9, 2009.

Analysis

The Newport facility is a run-of-river hydroelectric facility located on the Clyde River at 964 Clyde Street, Newport, Vermont. The facility consists of a dam, a penstock system extending approximately 2,200 feet downstream from the dam, and a powerhouse containing three hydroelectric generating units with a total gross nameplate capacity of four megawatts. The Newport facility, which is part of the Clyde River Hydroelectric Project (FERC No. P-2305), received its initial FERC license in November 1963, although the Newport generating units date back to the 1930s.[1] The facility's NEPOOL generation information system facility code is MSS772.

Pursuant to RSA 362-F: 4, IV, the hydroelectric facility is required to have upstream and downstream diadromous fish passages. The new license for the Clyde River Project, issued by the Federal Energy Regulatory Commission (FERC) in November 2003, required the licensee to construct upstream and downstream fish passages at the Newport facility. Great Bay constructed both fish passages in 2007. The applicant submitted a letter from FERC dated December 14, 2007 verifying that construction of the fish passages had been completed. Therefore, the Newport facility meets the requirement of upstream and downstream diadromous fish passages under RSA 362-F.

Pursuant to RSA 362-F:4, IV, the applicant must demonstrate that it has the respective state water quality certification pursuant to section 401 of the Clean Water Act for hydroelectric projects. The water quality certification for the Clyde River Project was issued in July 2003 by the Vermont Water Resources Board, and the conditions of the certification were incorporated into the project's 2003 FERC license.

Pursuant to Puc 2505.02 (b) (8), the applicant must submit proof that it has "an approved interconnection study on file with the commission, is a party to a currently effective interconnection agreement, or is otherwise not required to undertake an interconnection study." The applicant submitted and Staff verified the facility's interconnection agreement with Vermont Electric Cooperative, Incorporated effective April 1, 2004.[2]

Pursuant to Puc 2505.02 (b) (11), the applicant is required to include a statement as to whether the facility has been certified under another non-federal jurisdiction's renewable portfolio standards and proof thereof. The applicant stated and Staff verified that, on August 24, 2005, the Newport facility was certified as a Connecticut Class I renewable generation source.

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[1] The Clyde River Hydroelectric Project consisted of three hydroelectric generating developments on the Clyde River and two storage impoundments located on an unnamed tributary to the Clyde River, Echo Pond and Seymour Lake. The Newport facility remains the only operational generating facility. The Newport No. 11 facility was removed in 1996 and the West Charlestown facility was decommissioned in 1998.

[2] The agreement was initially executed with the Vermont Electric Division of Citizens Communications Company, and it was assumed by Vermont Electric Cooperative, Incorporated.

Recommendation

Staff has reviewed the Newport facility application and can affirm it is complete pursuant to N. H. Code Admin. Rule Puc 2500. Staff recommends that the Commission certify the Newport facility as being eligible for Class IV RECs effective October 9, 2009, the date on which Staff was able to make a determination that the facility met the requirements for certification as a Class IV renewable energy source.