

STATE OF NEW HAMPSHIRE

Intra-Department Communication

DATE: July 26, 2010
AT (OFFICE): NHPUC

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

SUBJECT: Staff Recommendation Re: DE 10-129, Conservation Services Group Certification Application of the BJ's Wholesale Club Facilities for Class II Eligibility and Request for Aggregation Pursuant to RSA 362-F

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 Amidon, Staff Attorney



Summary

On May 7, 2010, Conservation Services Group (CSG) submitted an application requesting that the Commission grant approval of two BJ's Wholesale Club photovoltaic facilities located in Connecticut to produce Class II Renewable Energy Certificates (RECs) pursuant to RSA 362-F, New Hampshire's Electric Renewable Portfolio Standard law. Pursuant to RSA 362-F:4, II, Class II eligibility requires that a facility produce electricity from solar technologies and that it began operation after January 1, 2006.

CSG also requested that the Commission grant CSG aggregator status for both facilities, referred to as the CT BJ's Solar Aggregation (CT BJ's Aggregation). If the Commission were to approve this request, the New England Power Pool Generation Information System (NEPOOL GIS) would recognize the eligible facilities as a single generator and issue RECs for this aggregation's total monthly output. Because the aggregation of multiple customer-sited renewable energy sources is permitted by the NEPOOL GIS, and because New Hampshire's RPS program uses the NEPOOL GIS system pursuant to RSA 362-F:6 I, Staff recommends the Commission grant CSG's request.

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 receipt of a completed application. The CSG application was completed on July 14, 2010.¹ The Connecticut facilities are customer-sited photovoltaic rooftop arrays that began operation in 2007. The facilities meet the Class II eligibility requirements under RSA 362-F:4, II. Based on its review of the application, Staff recommends that the Commission approve the facilities included in the proposed CT BJ's Aggregation as eligible for Class II RECs, effective on July 14, 2010.

Analysis

The facilities are customer-sited photovoltaic rooftop arrays located in Connecticut. Each facility has a gross nameplate capacity of 82.8 kilowatts. The first facility is located at 1589 Main Street, Willimantic, Connecticut and began operation on January 15, 2007. The second facility was installed at 20 Division Street, Derby, Connecticut and began operation on July 15, 2007.

Pursuant to the N. H. Code of Administrative Rules Puc 2505.08, the applicant is required to submit a complete list of the equipment used at the facilities and certain information regarding the installer, seller and independent monitor. The applicant provided a list of the inverter and solar panels installed at each facility by KOSMO Solar. Since the facilities are customer-sited sources, their output is not recorded in the NEPOOL Market Settlement System and, as a result, their output must be monitored, verified and entered into the NEPOOL GIS by an independent monitor pursuant to Puc 2505. The application states and Staff verified that the facilities' daily electricity generation is monitored by Peregrine Energy Group, Inc. (Peregrine).²

The applicant is also required to provide a copy of the interconnection agreement, proof that the applicant's distribution utility approved the installation, and a signed attestation that the facility meets applicable building codes. The applicant submitted a copy of each facility's interconnection agreement between CSG and Connecticut Light and Power Company that became effective on January 5, 2010 and May 12, 2006, respectively. The applicant also provided a signed attestation by Patricia Stanton, of CSG, stating that the facilities were installed and are operating in conformance with applicable building codes. Staff recommends that the Commission find that the signed attestation and the interconnection agreements meet Puc 2505.08 (b) (7) and (8).

Staff also supports CSG's request for aggregation of the above-named 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

¹ On June 14, 2010, Staff issued a deficiency letter requesting additional information that the applicant provided on July 14, 2010.

² Although the application identifies Fat Spaniel Technologies, Inc. as the independent monitor, on June, 30, 2010, the applicant notified Staff that the new monitor is Peregrine Energy Group, Inc. On September 10, 2009, the Massachusetts Department of Energy Resources certified Peregrine Energy Group, Inc. as a third party meter reader as provided in the NEPOOL Generation Information System Operating Rule 2.5 (j).

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. CSG has applied for and received a GIS facility code for the CT BJ's Aggregation. This aggregation code, NON 32577, will allow Peregrine to report the total monthly aggregate output of the facilities in lieu of reporting output for each facility.

CSG's aggregation would also 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, CSG would lose some revenue when Peregrine reports generation for individual facilities.³ If the Commission were to approve CSG's request, Peregrine would report total megawatt-hour output for the whole aggregation each month, thereby reducing the amount of lost kilowatt-hours. Aggregating the facilities would also reduce the transactions costs of trading RECs because CSG would only have to negotiate the terms of sale of RECs from the whole aggregation in lieu of contracts for each individual facility. Finally, Peregrine would save time reporting to the NEPOOL GIS only the output of the total aggregation.

Recommendation

Staff has reviewed CSG's application for photovoltaic facilities located on the above-named customer-sited rooftops and can affirm that it is complete pursuant to Puc 2505.08. Staff recommends that the Commission grant CSG's request to be named as the aggregator of the CT BJ's Wholesale Club Solar Aggregation and that this aggregation be eligible to receive Class II RECs effective July 14, 2010.

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