

STATE OF NEW HAMPSHIRE

Intra-Department Communication

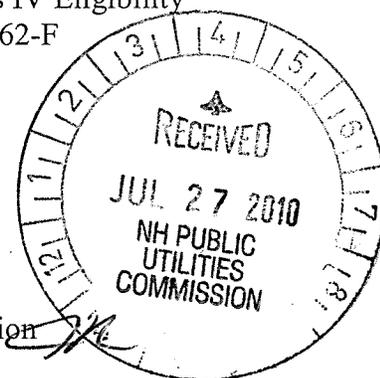
DATE: July 26, 2010
AT (OFFICE): NHPUC

FROM: Maureen L. Reno *MLR*
Utility Analyst

SUBJECT: Staff Recommendation Re: DE 10-151, the City of Holyoke Gas & Electric Department Certification Application for Class IV Eligibility of its Small Hydroelectric Facilities Pursuant to RSA 362-F Staff Recommendation

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 June 2, 2010, the City of Holyoke Gas and Electric Department (HG&E) submitted an application requesting that the Commission grant approval of its fourteen small hydroelectric facilities located in Holyoke, Massachusetts (Holyoke facilities) to produce Class IV renewable energy certificates (RECs) pursuant to RSA 362-F, New Hampshire's Renewable Portfolio Standard law. Class IV eligibility requires that an existing hydroelectric facility: 1) began operation prior to January 1, 2006; 2) has a gross nameplate capacity of 5 megawatts or less; 3) has installed both upstream and downstream diadromous fish passages, and 4) 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, must issue a determination of whether a facility meets a particular classification within 45 days of receipt of a completed application. The HG&E application was completed on June 30, 2010.¹ The Holyoke facilities do not meet the eligibility requirements under RSA 362-F:4, IV as Class IV facilities because each of the fourteen facilities do not have both upstream and downstream diadromous fish passages. Based on its review of the HG&E application, Staff recommends that the Commission deny HG&E's request that its facilities be eligible to produce Class IV renewable energy certificates.

¹ On June 17, 2010, Staff issued a deficiency letter requesting additional information that the applicant provided on June 30, 2010.

Analysis

The Holyoke facilities include fourteen small hydroelectric facilities as listed in the table below. Each facility is located within a canal system in downtown Holyoke, Massachusetts, began operation before January 1, 2006 and has a gross nameplate capacity of less than five megawatts.

HG&E Owned Hydroelectric Facilities Located in the Holyoke Canal System						
Facility Name	Street Address	Commercial Operation Date	Gross Name Plate Capacity (MW)	NEPOOL GIS Facility Code	Revised FERC License #	FERC License Issuance Date
Beebe Holbrook Station	388 Dwight St.	01/01/1948	0.250	MSS 812	111 FERC 61,106	04/19/2005
Boatlock Station	28 Gatehouse Rd	01/01/1924	3.230	MSS 859	111 FERC 61,106	04/19/2005
Chemical Station	228 South Water St.	01/01/1935	1.600	MSS 862	111 FERC 61,106	04/19/2005
Riverside 4-7 Station	30 Water St.	01/01/1921	3.040	MSS 1034	111 FERC 61,106	04/19/2005
Riverside 8 Station	30 Water St.	01/01/1931	4.000	MSS 1035	111 FERC 61,106	04/19/2005
Skinner Station	64 Bigelow St.	01/01/1924	0.300	MSS 878	111 FERC 61,106	04/19/2005
Albion Mill A (Harris Energy)	15 Water St.	01/01/1919	0.312	MSS 12168	47 FERC 62,298	06/29/1989
Albion Mill D (Harris Energy)	15 Water St.	01/01/1919	0.500	MSS 12168	47 FERC 62,307	06/29/1989
Gill Mill D (Harris Energy)	28 Water St.	01/01/1919	0.450	MSS 12168	47 FERC 62,297	06/29/1989
Holyoke No. 1 (Cabot)	104 Cabot St.	01/01/1923	1.056	MSS 957	46 FERC 62,229	02/28/1989
Holyoke No. 2 (Cabot)	83 Sargent St.	01/01/1923	0.800	MSS 957	46 FERC 62,310	09/28/1988
Holyoke No. 3 (Cabot)	250 South Race St.	01/01/1923	0.450	MSS 957	44 FERC 62,309	09/28/1988
Holyoke No. 4 (Cabot)	100 Cabot St.	01/01/1923	0.375	MSS 957	111 FERC 62,128	08/15/2006
Valley Hydro Station No. 5	4 Valley Mills Rd.	11/01/1994	0.790	MSS 14623	111 FERC 62,317	06/22/2005
Total Capacity			17.153			

Although some of these facilities may share the same FERC license number or New England Power Pool Generation Information System facility code, the applicant claims that each facility listed above is physically and electrically separate from each other. When asked by Staff to define physically and electrically separate, the applicant averred that physically separate assets have their own intake, penstock, powerhouse and tailrace facilities. The applicant also added that electrically separate assets have isolated electrical and metering systems.

Although the application states that each facility has installed FERC required and approved upstream and downstream fish passages, responses to staff data requests revealed that HG&E only installed one upstream and downstream fish passage system throughout the canal system at the Hadley Falls Station. The Hadley Falls Station is located at the entrance of the canal system. According to the applicant, the fish passages and the canal tailraces prevent upstream and downstream migrating fish from entering the Holyoke canal system.

Given that the fourteen Holyoke facilities are physically and electrically separate, New Hampshire's RPS law requires each facility to have both upstream and downstream fish passages. RSA 362-F:4, IV states that an existing small hydroelectric facility has "actually installed both upstream and downstream diadromous fish passages and such installations have been approved by the Federal Energy Regulatory Commission." Because the applicant only installed such fish passages at the Hadley Falls Station, the fourteen facilities do not meet the requirements set forth in the RPS law.

Recommendation

Staff recommends that the Commission deny HG&E's request that its facilities be certified as Class IV renewable energy sources. Given that each of the small hydroelectric facilities do not have both upstream and downstream diadromous fish passages, the individual facilities do not meet the requirements set forth in RSA 362-F:4, IV and, as a result, such facilities are not eligible to produce New Hampshire Class IV RECs.