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THE STATE OF NEW HAMPSHIRE



PUBLIC UTILITIES COMMISSION 21 S. Fruit Street, Suite 10 Concord, N.H. 03301-2429 TDD Access: Relay NH 1-800-735-2964

Tel. (603) 271-2431

FAX (603) 271-3878

Website: www.puc.nh.gov

December 11, 2012

Matthew Marrazzo President Townline Equipment Sales, Inc. PO Box 300 -1474 Route 12A Plainfield, NH 03781

Re: DE 12-009 Townline Equipment Sales, Inc., Request for Recognition of Class II Renewable Energy Certificates Intended for Banking in Quarter One 2012

Dear Mr. Marrazzo:

On December 05, 2012, the Commission received a letter from you requesting that the Commission permit certain RECs generated from Townline Equipment Sales, Inc.'s (Townline) photovoltaic facility to be banked and made available for future trading periods. Your letter states that you were unaware of the GIS reporting process and therefore RECs were not banked prior to the end of the Quarter One (Q1) trading period; this caused the RECs to be retired towards the Residual Mix.

As a result of this error, production from your facility during Q1 may not be eligible for Renewable Energy Certificates (RECs) inasmuch as NEPOOL GIS operating rules do not provide for certificate adjustment when the account holder commits the error. According to communication from James Webb, NEPOOL GIS Administrator, the GIS in this instance and in other similar situations, has advised managers to contact the appropriate state regulatory agency and request that the agency recognize the production as "RPS compliant" during the annual filing process. The Commission therefore, has the discretion to issue a secretarial letter stating that even though the NEPOOL GIS does not display Townline's Q1 RECs as NH RPS eligible, the Commission will still accept them for RPS compliance when the end user retires them at the end of the year.

Pursuant to RSA 362-F:6, the RPS program utilizes the GIS administered by ISO-New England and NEPOOL. Facility certification to produce New Hampshire RECs is assigned to the Commission pursuant to RSA 362-F:11. This authority is consistent with the GIS which, by design, relies on state agencies to certify REC-compliant facilities. The Commission certified Townline facility as eligible to produce Class II RECs on January 11, 2012. The RECs in question are summarized on the following table:

Month of Generation	NH Certification #	Unit ID	Unit Name	Fuel Type	Certificate Numbers	Quantity	NH Class
2012/Jan	NH-II-12-001	NON33300	Townline	Solar Photovoltaic	343598 – 1 to 1	1	II
2012/Feb	NH-II-12-001	NON33300	Townline	Solar Photovoltaic	343597 - 1 to 4	4	II
2012/Mar	NH-II-12-001	NON33300	Townline	Solar Photovoltaic	343596 1 to 6	6	II

The Commission has determined that it is consistent with its statutory authority and GIS rules to recognize the Q1 production of Townline facility as eligible for Class II RECs, subject to the following conditions:

- 1. A notarized statement on company letterhead shall be made/signed by whomever is now the Authorized Representative of Townline, attesting that the GIS certificates listed in the statement have not otherwise been, nor will be, sold, retired, claimed, used, or represented as part of electrical energy output or sales, or used to satisfy obligations, in jurisdictions other than New Hampshire. Such statement must be accompanied by documentation that said individual has been duly authorized by Townline to serve as its Authorized Representative.
- 2. The notarized statement and a copy of this letter shall be provided to the Retail Electricity Supplier to which the certificates are transferred, and that Supplier shall submit a copy of the statement and this letter to the Commission as part of its 2012 RPS Class II annual compliance filing.

This decision regarding the aforementioned Q1 certificates shall not be regarded as establishing a precedent, and the Commission may deny any similar Townline requests for a waiver in the future. Attached please find a copy of the notice of this letter provided to the GIS administrator.

Sincerely,

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Debra A. Howland **Executive Director**

cc: James Webb, Registry Administrator, APX Environmental Markets

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December 11, 2012

James Webb Registry Administrator APX Environmental Markets 224 Airport Parkway, Suite 600 San Jose, CA 95110

Re: DE 12-009 Townline Equipment Sales, Inc., Request for Recognition of Class II Renewable Energy Certificates Intended for Banking in Quarter One 2012

Dear Mr. Webb:

On December 05, 2012, the Commission received a letter from Matthew Marrazzo, President, Townline Equipment Sales, Inc., (Townline) requesting that the Commission permit certain RECs generated from the Townline Equipment Sales, Inc. (Townline) photovoltaic facility to be banked and made available for future trading periods. Mr. Marrazzo's letter states that he was unaware of the GIS reporting process and therefore RECs were not banked prior to the end of the Quarter One (Q1) trading period; this caused the RECs to be retired towards the Residual Mix.

If generators fail to enter the required data before the deadline, the GIS locks out the generator from entering data relating to the relevant quarter and there is no mechanism for the RPS eligibility to be added back. To resolve this discrepancy, the Commission has issued a secretarial letter stating that even though the NEPOOL GIS does not display Townline's Q1, (January 1 through March 31, 2012) RECs as NH RPS eligible, the NH PUC will still accept them for purposes of RPS compliance when the end user retires them at the end of the year.

The unsettled RECs in question are summarized on the following table:

Month of Generation	NH Certification #	Unit ID	Unit Name	Fuel Type	Certificate Numbers	Quantity	NH Class
2012/Jan	NH-II-12-001	NON33300	Townline	Solar Photovoltaic	343598- 1 to 1	1	II
2012/Feb	NH-II-12-001	NON33300	Townline	Solar Photovoltaic	343597 1 to 4	4	II
2012/Mar	NH-II-12-001	NON33300	Townline	Solar Photovoltaic	343596 - 1 to 6	6	II

The Commission has reviewed Mr. Marrazzo's letter, supporting documentation and the GIS Operating Rules and determined that the above referenced RECs from Q1, 2012 will be accepted for RPS compliance when the end user retires them at the end of the year.

Sincerely,

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Debra A. Howland **Executive Director**

Matthew Marrazzo, President, Townline Equipment Sales, Inc. cc:

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

Executive.Director@puc.nh.gov amanda.noonan@puc.nh.gov barbara.bernstein@puc.nh.gov Christina.Martin@oca.nh.gov Jack.ruderman@puc.nh.gov jwebb@nyseblue.com matt@townlineequipment.com steve.mullen@puc.nh.gov susan.chamberlin@oca.nh.gov suzanne.amidon@puc.nh.gov

Docket #: 12-009-1 Printed: December 11, 2012

FILING INSTRUCTIONS:

a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with: DEBRA A HOWLAND

EXEC DIRECTOR NHPUC 21 S. FRUIT ST, SUITE 10 CONCORD NH 03301-2429

- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.