STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: October 15, 2015 **AT (OFFICE):** NHPUC

FROM: Elizabeth R. Nixon. Energy Analyst

NHPHC 150CT'15PH3:38

SUBJECT:

DM 12-075, Electricity N.H., LLC - 2014 RPS Compliance

Waiver of Puc 2503.05(c)(2)

TO:

Martin P. Honigberg, Chairman Robert R. Scott, Commissioner Kathryn M. Bailey, Commissioner Debra A. Howland, Executive Director

CC:

Karen Cramton, Director, Sustainable Energy Division

David K. Wiesner, Staff Attorney

On June 29, 2015, Electricity N.H., LLC d/b/a E.N.H. Power (ENH) filed its Renewable Portfolio Standard (RPS) compliance report for 2014. In this report, ENH showed that it had retired 23,683 Class I (vintage 2014) Renewable Energy Certificates (RECs) for compliance with the Class I RPS obligation. In addition, ENH claimed that it had 106 Class I (vintage 2014) RECs to bank for future use. ENH retired the 23,683 Class I RECs in its NEPOOL Generation Information System (GIS) retail subaccount, but it retired the 106 Class I RECs in a reserve account instead of in the retail subaccount. RECs retired in the retail subaccount are shown in the GIS "My Settled Certificates Disposition" report, but RECs retired in the reserve account are not shown in this GIS report.

In a letter dated September 16, 2015, ENH requested a waiver of Puc 2503.05(c)(2) to allow the 106 Class I RECs retired in the reserve account to be banked for future compliance use in New Hampshire, even though these RECs are not shown as retired in the GIS "My Settled Certificate Disposition" report because they were not retired in the retail subaccount.

Puc 2503.05(c) permits a provider of electricity to bank RECs for future use, subject to certain specified conditions:

- (c) An owner of certificates may bank unused certificates by filing with the commission the following:
- (1) By July 1 of each year, information regarding the total amount of excess certificates by class to be banked for future compliance years; and
- (2) By July 31 of each year, the report titled "My Settled Certificates Disposition," issued by GIS to the owner indicating the total number of certificates owned and settled for the prior year.

In its compliance report filed on June 29, 2015, ENH indicated the amount of excess RECs to be banked; however, the RECs were not retired in the retail subaccount and therefore were not shown in the GIS "My Settled Certificates Disposition" report. Staff confirmed with the GIS administrator that ENH's 106 Class I RECs that were retired in the reserve account have not been used in another state or other jurisdiction.

Pursuant to Puc 201.05(a) and (b), the Commission shall waive its rules if it finds the following:

- (a)(1) The waiver serves the public interest; and
- (2) The waiver will not disrupt the orderly and efficient resolution of matters before the commission.
- (b) In determining the public interest, the commission shall waive a rule if:
- (1) Compliance with the rule would be onerous or inapplicable given the circumstances of the affected person; or
- (2) The purpose of the rule would be satisfied by an alternative method proposed.

Staff recommends that the Commission grant a one-time waiver of Puc 2503.05(c)(2) so that ENH may bank its 106 Class I (vintage 2014) RECs, because ENH has satisfied the "purpose of the rule…by an alternative method." ENH retired the RECs in the GIS reserve account and has not used them in another state or jurisdiction, so its banking of these RECs is appropriate and serves the purpose of the RPS program.

DM 12-075

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