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May 21, 2012

Ms. Debra Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301
RE: Rule Puc 901.02(b) waiver request



Puc 903.02(h) through (k) prescribes the required methodology to make payments from distribution utilities to net metered customers for excess energy their generators feed into the distribution system. In accordance with Rule Puc 901.02(b), Puc 903.02(h) through (k) only apply to net surplus electricity fed into the distribution system that accumulated beginning April 2011. Therefore, any surplus accumulated prior to April 2011 would not be eligible to receive a payment based on Puc 901.02(b).

In order to comply with this requirement which limits payments for surplus energy deliveries to those that began to accumulate in April 2011, the New Hampshire Electric Cooperative, Inc ("NHEC") would need to make significant, and costly, changes to its billing system to account for separate net surplus "banks". Therefore, NHEC seeks a one-time waiver from this requirement so that NHEC's net-metered members may receive payments for any surplus energy deliveries which have accumulated earlier than April, 2011.

If granted this waiver, NHEC would include all net surplus electricity in the avoided cost payment calculations for the period ending March 2012. The total surplus balance of all NHEC's net metered accounts as of March 31, 2011 was 11,092 kilowatt-hours. Therefore, NHEC estimates additional payments to affected net metered customers would be less than \$1,000 in total. This benefits those members, while also benefiting the remainder of NHEC's members by not requiring costly billing system changes. Thus, it is more efficient for NHEC to pay more net metering surplus payments this one time than to change its systems.

If you have any questions or require additional information, please do not hesitate to contact me at manypennyh@nhec.com or 603-536-8827.

Sincerely,

Heather Manypenny
Power Resources Executive