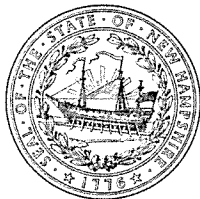


THE STATE OF NEW HAMPSHIRE

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PUBLIC UTILITIES COMMISSION
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May 15, 2014

Stephen J. Hickey
Hydro Management Group, LLC
55 Union Street, 4th Floor
Boston, MA 02108

NHPUC 16MAY14AM9:35

**Re: Monadnock Paper Mills, Inc., Applications for Certification as a Class IV
REC Eligible Facility**
DE 14-088 Pierce Dam
DE 14-089 Paper Mill Dam
DE 14-090 Monadnock Power Station Dam

Dear Mr. Hickey:

On April 4, 2014, the Commission received three applications prepared by Hydro Management Group, as authorized agent for Monadnock Paper Mills, Inc. (MPM). These applications requested Class IV renewable energy certificate (REC) eligibility for MPM's Pierce Dam, Paper Mill Dam, and Monadnock Dam power stations (collectively, the "Power Stations"), pursuant to RSA 362-F:4 and New Hampshire Code of Administrative Rules Puc 2500. Staff has reviewed the applications and has found that the following additional information is required in order to complete the Commission's eligibility review:

1. Please describe in detail how each of the Power Stations is operated separately and independently from the others, including information responsive to the following:
 - a. Please provide simple diagrams, including a current electrical one-line diagram, of the configuration of each Power Station, and its relation to the other Power Stations;
 - b. Does each Power Station have a separate control room and separate operational personnel? If so, please describe and identify these separate items. If not, please describe how the three Power Stations are jointly controlled and operated
 - c. Can the water flows for each of the three dams be separately controlled from the water flows for the other dams? If so, please describe these separate controls, both through narrative and using a simple diagram. If

not, please describe how water flows for the three dams are jointly controlled, both through narrative and using a simple diagram.

2. Is there anyone on the site other than an employee of MPM who manages and/or operates any or all of the Power Stations? If so, please identify the manager(s) and/or operator(s), and provide a copy of any agreement(s) pursuant to which such management and/or operation is performed.
3. MPM provided limited excerpts from a PSNH Interconnection Report for the Power Stations. Please provide a complete copy of this report. Has MPM entered into an Interconnection Agreement with PSNH for the Power Stations? If so, please provide a complete copy of this Agreement.
4. Please describe how the independent monitor, William P. Short, III, would report each Power Station's output to the NEPOOL-GIS system. Would Mr. Short report to GIS both the behind-the-meter production and the excess power output delivered into the PSNH distribution system from each facility?
5. Would PSNH report any of the Power Stations' output to the NEPOOL-GIS system? Is this output aggregated or reported separately for each of the Power Stations?
6. Please provide a copy of the New Hampshire DES Water Quality Certificate issued to MPM in connection with licensing of the Power Stations.
7. Please explain how and why the hydroelectric facilities for the three Power Stations are aggregated for Maine Class II RPS certification.
 - a. Please provide a copy of any self-certification documentation related to the Power Stations' Maine Class II REC eligibility that has not already been provided with the application submitted to the Commission.
 - b. Why do the three Power Stations use a single MSS number for NEPOOL-GIS reporting relative to the Maine Class II REC certification?

The Commission seeks to clarify these issues to ensure that the record supports a determination regarding the Power Stations' eligibility as Class IV sources of RECs. Please contact me if you seek any additional guidance regarding these requests. Please refer to docket numbers **DE 14-088**, **DE 14-089**, and **DE 14-090** in your correspondence with the Commission.

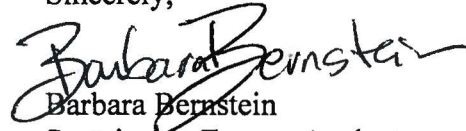
Your response should include an original and two copies sent to the attention of the Commission's Executive Director:

Debra A. Howland
Executive Director
New Hampshire Public Utilities Commission

21 South Fruit Street, Suite 10
Concord, NH 03301-2429
executive.director@puc.nh.gov

Please also send an electronic copy via e-mail to executive.director@puc.nh.gov, and copy me at barbara.bernstein@puc.nh.gov. Should you have any questions, please do not hesitate to contact me. My direct line is 603-271-6011. I look forward to continuing to work with you to resolve this matter.

Sincerely,


Barbara Bernstein
Sustainable Energy Analyst

cc: Michelle Hamm, Manager- Environmental Services, Monadnock Paper Mills, Inc.
David K. Wiesner, NHPUC Staff Attorney
Jack Ruderman, Director, Sustainable Energy Division

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.

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Docket #: 14-088-1 Printed: May 16, 2014

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
EXECUTIVE 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.
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