

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: June 22, 2017

AT (OFFICE): NHPUC

FROM: Barbara Bernstein^{BJ}, Energy Analyst

SUBJECT: DE 16-861 Renewable Energy Development Associates, LLC Request for Waiver of Puc 2507.02(a), to Allow the Installer of Solar PV Facilities to Also Aggregate RECs Generated

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

CC: Karen Cramton, Director, Sustainable Energy Division ^{KC}
David K. Wiesner, Staff Attorney

On December 5, 2016, the Commission received a request from Renewable Energy Development Associates, LLC (REDA) for approval to serve as an aggregator under the Puc 2500 rules regarding the Renewable Portfolio Standard (RPS). REDA has installed solar photovoltaic (PV) systems and proposes to serve as the aggregator of renewable energy certificates (RECs) for those installations, as well as for other renewable energy facilities. This aggregation model varies from that contemplated by the Puc 2500 RPS rules. Staff reviewed the request and recommended that REDA provide a letter requesting a waiver of Puc 2507.02(a), as discussed in more detail below. The rule waiver request has been docketed, and Staff recommends that a waiver be granted to permit REDA to serve as an aggregator of RECs in New Hampshire.

REDA's Proposed Aggregation

REDA states that there is an overlap between system installation and registration of facilities for the purpose of REC sales. REDA believes that allowing the installer to aggregate RECs would streamline the management of tracking performance and aggregation of RECs, and benefit both the installer and the customer. REDA states that the New Hampshire REC market would also benefit from additional aggregators that will increase the diversity of aggregation services and enhance competition.

Rules Waiver Request for Aggregator Approval

Puc 2505.07(a) *provides that an aggregator shall not aggregate certificates from a customer-sited source or a source producing useful thermal energy if the aggregator has a prohibited relationship to an independent monitor, equipment manufacturer, equipment installer or owner associated with the source.*

Puc 2505.07(b) defines "prohibited relationship" as

- (1) A direct or indirect ownership interest comprising at least ten percent of the stock or other equity of an entity,
- (2) Common direct or indirect ownership of at least ten percent,
- (3) Membership in the same household or family, or
- (4) Service as an officer, director, partner, employee, agent or fiduciary.

Puc 2505.07(c) provides that if a prohibited relationship pursuant to (b) above exists between a source and any member of an aggregator's household or immediate family, then the aggregator shall also be deemed to have a prohibited relationship pursuant to this section.

REDA represents that a state-certified independent monitor will verify and report system generation to NEPOOL-GIS at least quarterly, while the function of the aggregator will be to aggregate and sell verified and reported RECs. Therefore, having the installer perform this aggregator function for clients does not create a conflict of interest, provided that the RECs are verified and reported by a state-certified independent monitor.

Staff's review has determined that the REDA request is reasonable, given that an independent monitor will verify system electric production and enter the production totals into the NEPOOL-GIS system. Staff therefore recommends that the Commission approve the REDA request for a waiver of this rule provision, under Puc 201.05, based on a finding that the waiver will serve the public interest and will not disrupt the orderly and efficient resolution of matters before the Commission.

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
david.shulock@puc.nh.gov
karen.cramton@puc.nh.gov
leszek.stachow@puc.nh.gov
ocalitigation@oca.nh.gov
tankfulofsun@gmail.com
tom.frantz@puc.nh.gov

Docket #: 16-861-1 Printed: June 22, 2017

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.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.