

May 24, 2018

NHPUC 25MAY18AM11:05

Debra Howland, Executive Director
New Hampshire Public Utilities Commission
21 South Fruit Street
Concord, MA 03301

Dear Ms. Howland:

On behalf of Keene State College, I am writing to request a waiver to revise the date of eligibility on the system expansion of **Boiler No. 2** in its production of Thermal REC-eligible gallons of LR-100 utilized on this campus. This waiver requests that the PUC adjust the April 10, 2018 date that is on NH Cert. Number NH-IT-17-NF90031 for Boiler 2 to be effective Jan. 11, 2018.

The Keene State College (KSC) heat plant began using LR-100 fuel, a 100% recycled and sulfur-free vegetable oil, during the summer of 2016, displacing over 270,000 gallons of #6 bunker oil that year. KSC earned its first Thermal REC for LR-100 used in Boiler No. 4, effective July 3, 2017, **Class IT RREC # 17-90017**. KSC's operational success with LR-100 was so promising in Boiler 4 that KSC committed to expand the use of the fuel to an adjacent boiler, Boiler 2, which began utilizing LR-100 in October of 2017. With just one boiler remaining using #6 oil at our plant, Keene State met 65% of its steam plant load with this clean, renewable fuel. This is a huge success for both the College and the air quality in our region.

With the experience earned from qualifying Boiler 4 for Thermal RECs last summer, I knew it was essential to alert the PUC of our LR-100 expansion plans, and inquire about applying Boiler 2 for thermal RECs. Boilers 2 and 4 are located in the same heat plant and operate in tandem to meet our campus heat load using the same heat distribution system. They are, in fact, integral boilers to one heating generation system.

In a conference call with PUC Analyst Barbara Bernstein in October 2017, she informed us that because there were no operational changes in how KSC was metering, calculating and verifying useful thermal energy for Boiler 2, KSC would be required to only submit a letter from our Independent Monitor describing the system expansion, and pass our second, required stack emissions test. We also learned that this expansion would be approved as soon as the stack test proved the new boiler would meet the emissions limits.

Our Independent Monitor, Roger Thibodeau, submitted his letter to the PUC detailing this expansion of LR100 on Nov. 16, 2017. KSC moved quickly to schedule and fund the \$11,000 stack test for Dec. 12-13. Emissions-qualified data on LR-100 usage for Boiler 2 began transmission to Mr. Thibodeau for submittal to NEPOOL that same week. KSC received positive stack test results and submitted the report to NHDES on Jan. 11, 2018 by email. NHDES did not issue its official letter to KSC verifying the stack test results until Jan 31, 2018, which I emailed to the PUC that day. With both submitted, I understood that Keene State met the PUC's requirements to certify the expansion of LR-100 in Boiler 2.

Then, on Feb. 23, 2018, Ms. Bernstein informed me that the PUC wanted KSC to file a full application to qualify Boiler 2 for REC eligibility. The passing stack test results and letter from our monitor seemed no longer sufficient. By this date, Keene State had suffered financial implications from missing out on over a month of REC-eligible gallons. The added time it took to



Wisdom to make a difference.

compile the 80-page application for Boiler 2 cost the college six more weeks of potential, eligible gallons. This new hurdle was both unexpected and quite costly.

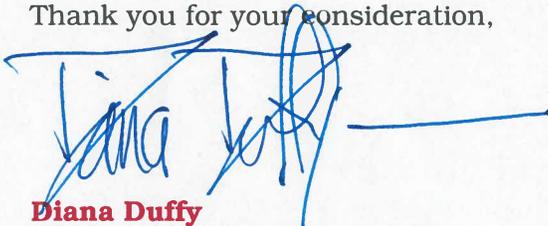
Keene State is a proud participant in the Thermal REC market in NH, and one of the largest generators, to date, using this clean, recycled fuel. With of our success with LR-100, Keene State College approved an aggressive suite of sustainability goals to keep KSC on the leading edge of smart energy choices. Our use of LR-100 shrinks KSC's dependence on heavy oil while helping to meet all the purposes of the RSA 362-F. KSC did receive its new Class IT RREC for the system expansion effective April 10, 2018. However, the PUCs decision for KSC re-apply for Boiler 2 cost the college over two months of potential RECs with a conservative value of nearly \$75,000.

As a publicly funded, state liberal arts college, the REC earnings from those winter gallons would have a been a significant help to this year's budget, while allowing KSC to further fund the use of clean fuel. Since KSC met the PUC's initial requirements for expansion before the full application was requested, we feel that a waiver to revise the date on our System Expansion REC for Boiler 2 to Jan 11 2018 will help the State meet its Class I thermal obligation without the retail service providers having to make unnecessary alternative compliance payments.

I am confident that this request will not disrupt the orderly and efficient resolution of any related matters before the PUC. We also believe that granting this waiver in no way undermines the intent of the rule as it relates to the administration of the thermal provisions of RSA 362-F. With this information, I respectfully request your expedited approval of this waiver.

It would be my pleasure to provide any documentation and answer any questions you or your team may have in regards to this request.

Thank you for your consideration,



Diana Duffy
Energy Services Coordinator

Keene State College
229 Main St. MS 2502
Keene, NH 03435

(603) 358-2230
dduffy1@keene.edu



Wisdom to make a difference.