

## **GRANITE STATE HYDROPOWER ASSOCIATION, INC.**

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December 31, 2020

Debra A. Howland  
Executive Director  
New Hampshire Public Utilities Commission  
21 South Fruit Street, Suite 10  
Concord, NH 03301

Re: Docket No. IR 20-192 Investigation into the Effects of the COVID-19 Emergency on the Renewable Energy Industry

Dear Ms. Howland:

On behalf of the Granite State Hydropower Association (GSHA), thank you very much for the opportunity to participate in this investigative docket and provide information to the Commission regarding the effects of the COVID-19 pandemic on small-scale hydroelectric facilities doing business in New Hampshire.

By way of background, GSHA is a voluntary, non-profit trade association for the small-scale hydropower industry in New Hampshire. Members of GSHA own and operate approximately 50 small run-of-river hydroelectric facilities located in 35 towns and cities throughout the state, totaling about 55 megawatts (MWs) of distributed generation.

GSHA members produce an emissions-free, renewable, reliable and locally distributed source of electricity that provides important economic, recreational, and environmental benefits to New Hampshire. GSHA hydro facilities pay local and state property and business taxes, employ New Hampshire residents, and purchase local goods and services needed for operation and maintenance. Virtually all GSHA facilities are regulated by the Federal Energy Regulatory Commission (FERC), and all work closely with state agencies and local officials on public safety matters.

### Covid-19 Health and Safety Protocols

GSHA members have worked hard to implement and comply with the Governor's Universal Guidelines. For the health and safety of GSHA members' employees and communities, we are fully committed to following state and federal guidance relative to Covid-19 safety protocols on job sites (e.g., social distancing, wearing masks, etc.). Adhering to these added safety protocols has naturally had an impact on employee productivity in various ways. Familiar examples include:

- Educating employees about Covid-19 safety protocols and addressing their questions and concerns;

December 31, 2020

Comments of GSHA in IR 20-192 Investigation into the Effects of the COVID-19 Emergency on the Renewable Energy Industry

- Supplying employees with letters deeming them essential workers during the spring shutdown;
- Having employees do temperature checks and complete Covid-19 questionnaires;
- Managing staffing shortages when employees need to quarantine for 14 days after positive tests or possible exposures.

Another example relates to employees who work around the loud machinery that is often operating at small hydro plants. Rather than standing close to each other and shouting over the noise, workers now have to move outside and away from the machinery every time they need to communicate about their work. This happens continually throughout the day, reducing the efficiency of operations, maintenance, and repairs. Taken together, these impacts and others reduce our productivity by an estimated 15-20%.

### Revenue Impacts

GSHA members that operate hydro plants greater than 1 MW have felt the impacts of low Locational Marginal Prices (LMPs) for many years. The ongoing natural gas glut has been a very large factor in lowering wholesale electric prices, even while transmission and distribution costs are increasing. It is possible that prices have been further reduced because of load reductions due to Covid. Furthermore, decreases in system load have reduced the demand for Renewable Energy Certificates (RECs), thereby causing a reduction in REC prices. This has affected those small hydro facilities that are eligible to participate in Renewable Portfolio Standard (RPS) programs, either here in New Hampshire or in other New England states.

In addition to weathering the impacts of low wholesale electric prices and reduced REC prices, New Hampshire's small hydro industry has also endured the financial impacts of this year's drought. GSHA members operate hydro generators that are run-of-river, which minimizes environmental impacts but makes the facilities more vulnerable to the effects of droughts. All of these factors have impacted the financial health of New Hampshire's small-scale hydro facilities.

In closing, GSHA members are managing the challenges and impacts of the Covid-19 pandemic to the best of our ability. We hope to survive the current financial challenges so that we can continue to provide important economic, recreational, and environmental benefits to New Hampshire.

Best Regards,



Bob King  
President of the Granite State Hydropower Association