# STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

#### **DRM 14-095**

#### RULEMAKING

#### Puc 2500 – Renewable Portfolio Standards Rules Order

## <u>ORDER NO. 25,678</u>

### June 19, 2014

This order directs those seeking certification as providers of useful thermal energy certificates to rely on Puc 2500 as initially proposed until final rules are in place.

The Legislature amended RSA 362-F in 2012 to add "useful thermal energy" to the renewable portfolio standards. 2012 N.H. Laws Ch.272 (SB 218). The new statute requires electricity providers to obtain Class I certificates for useful thermal energy or make alternative compliance payments beginning with compliance year 2013.

Due to technical challenges with thermal metering standards, the Commission determined that the rulemaking required by SB 218 could not be completed in time to certify facilities to produce useful thermal renewable energy certificates (RECs) in 2013. Therefore, the Commission delayed for one year the implementation of the useful thermal energy portion of Class I. *Electric Renewable Portfolio Standard*, Order No. 25,484 at 14 (Apr. 4, 2013). We explained:

A potential source of useful thermal energy must know the application, metering, measurement, verification and reporting requirements in order to apply to qualify to produce useful thermal RECs. Without the rules to define these provisions, neither a potential useful thermal energy source, nor the Commission has the necessary information to determine whether a source is eligible to produce thermal RECs.

*Id.* at 15.

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After substantial work by Commission Staff, stakeholders, and Staff's consultant, the Commission adopted the initial proposal in this docket on April 10, 2014. Among other changes to chapter Puc 2500, the initial proposal incorporated useful thermal energy into the portfolio standards. The Commission filed with the Office of Legislative Services the initial proposal and issued an order of notice scheduling a public hearing for June 27, 2014.

Because electricity providers must comply with the portfolio standards for useful thermal energy in 2014, the Commission hereby notifies entities seeking certification that they may rely upon the initial proposal for guidance until the final rules are in place. Staff will consider applications to produce useful thermal energy pursuant to proposed N.H. Code Admin. R. Puc 2505.02(e). With regard to metering requirements, applicants should rely upon one of the methods of proposed Puc 2506.04, an alternative method as specified in proposed Puc 2506.06, or the methodology outlined in proposed Puc 2505.02(e)(2).

Prior to the effective date of the final rules, thermal REC production will be the amount of thermal energy produced as measured and using the method approved by the Commission. A professional engineer licensed in the State of New Hampshire and in good standing will be required to verify the quantity of thermal RECs produced by an applicant.

Facilities may create thermal RECs for the period from January 1, 2014, until 60 days after the effective date of a final rule by applying for REC eligibility prior to 60 days following the effective date of the final rule. Pursuant to its statutory authority, the Commission will review applications for thermal REC eligibility on a case by case basis until the effective date of the final rule. Applications are available upon request or at the Commission's website: <a href="http://www.puc.nh.gov/Sustainable%20Energy/Renewable\_Energy\_Source\_Eligibility.htm">http://www.puc.nh.gov/Sustainable%20Energy/Renewable\_Energy\_Source\_Eligibility.htm</a>.

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the final rule. Applications are available upon request or at the Commission's website: <a href="http://www.puc.nh.gov/Sustainable%20Energy/Renewable\_Energy\_Source\_Eligibility.htm">http://www.puc.nh.gov/Sustainable%20Energy/Renewable\_Energy\_Source\_Eligibility.htm</a>.

# Based upon the foregoing, it is hereby

**ORDERED**, that Commission Staff shall accept applications for certification of thermal REC-eligible facilities, and shall base recommendations for approval upon proposed Puc 2505.02(e)(2), proposed Puc 2506.04, and proposed Puc 2506.06 until such time as a final rule is adopted by the Commission.

By order of the Public Utilities Commission of New Hampshire this nineteenth day of June, 2014.

Arny Lagnatius Chairman

Commissioner

Martin P. Honigberg
Commissioner

Attested by:

Debra A. Howland

**Executive Director**