STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: April 28, 2009

AT (OFFICE): NHPUC

FROM: Maureen L. Reno, MLR

Utility Analyst

SUBJECT: DE 09-055 Centennial Island Hydroelectric Company's

Application for Class IV Certification pursuant to RSA 362-F

Staff recommendation

TO: Chairman Thomas B. Getz

Commissioner Graham J. Morrison Commissioner Clifton C. Below

Debra A. Howland, Executive Director and Secretary

CC: Jack K. Ruderman, Director, Sustainable Energy Division

Suzanne Amidon, Staff Attorney

Summary

On March 18, 2009, Centennial Island Hydroelectric Company (Centennial) submitted an application requesting the Commission grant approval of its Centennial Island hydroelectric facility (Centennial Island facility) to produce Class IV renewable energy certificates pursuant to RSA 362-F, New Hampshire's Renewable Portfolio Standard law. Pursuant to RSA 362-F:4, IV, Class IV eligibility requires that a facility began operation prior to January 1, 2006, has a nameplate capacity of 5 MWs or less, has installed upstream and downstream diadromous fish passages and when required, has documented applicable state water quality certification pursuant to section 401 of the Clean Water Act.

Pursuant to RSA 362-F, the Commission, in a non-adjudicative process, is required to issue a determination of whether a facility meets a particular classification within 45 days of a completed application. The Centennial Island facility application was completed on March 18, 2009. The Centennial Island facility meets the eligibility requirements under RSA 362-F:4, IV as a Class IV facility and complies with the N.H Admin Code Rule Puc 2500. Centennial has provided all the necessary documents to receive certification as a Class IV facility. Based on its review of the application, Staff recommends that the Commission approve the Centennial Island hydroelectric facility as eligible for Class IV RECs effective March 18, 2009.

Analysis

The Centennial Island facility is a run-of-river hydroelectric facility located on the Concord River at 670 Lawrence Street, Lowell, Massachusetts. The facility includes one vertical S. Morgan Smith Kaplan turbine with a nameplate capacity of 0.640 megawatts. The facility was granted an exemption from licensing by the Federal Energy Regulatory Commission on September 29, 1981. However, initial commercial operation did not commence until November 1990. The facility's NEPOOL generation information system facility code is MSS792.

Pursuant to RSA 362-F: 4, IV, the hydroelectric facility is required to have upstream and downstream diadromous fish passages. The applicant submitted a letter from the Massachusetts Division of Fisheries & Wildlife dated May 14, 1991 that provided operation guidelines for both the upstream and downstream fish passages located at the facility. This letter from the Division of Fisheries & Wildlife demonstrates that the upstream and downstream fish passages were installed. Therefore, the Centennial Island facility fish passages meet the requirement of upstream and downstream diadromous fish passages under RSA 362-F.

Pursuant to RSA 362-F:4, IV, the applicant must demonstrate that it has the respective state water quality certification pursuant to section 401 of the Clean Water Act for hydroelectric projects. The applicant provided a copy of a letter from the Massachusetts Executive Office of Environmental Affairs dated April 27, 1989 granting the applicant a water quality certification provided that the then proposed construction would not violate the standards set by section 401 of the Clean Water Act.

Pursuant to Puc 2505.02 (b) (8), the applicant must submit proof that it has "an approved interconnection study on file with the commission, is a party to a currently effective interconnection agreement, or is otherwise not required to undertake an interconnection study." The applicant submitted and Staff verified the facility's interconnection agreement with New England Power Company dated December 29, 1989.

Pursuant to Puc 2505.02 (b) (11), the applicant is required to include a statement as to whether the facility has been certified under another non-federal jurisdiction's renewable portfolio standards and proof thereof. The applicant stated and Staff verified that the facility has not been certified under any other state's renewable portfolio standard program.

Recommendation

Staff has reviewed the Centennial Island application and can affirm it is complete pursuant to N. H. Code Admin. Rule Puc 2500. Staff recommends that the Commission certify the Centennial Island facility as being eligible for Class IV RECs effective March 18, 2009, the date on which Staff was able to make a determination that the facility met the requirements for certification as a Class IV renewable energy source.