STATE OF NEW HAMPSHIRE

Intra-Department Communication

DATE: November 6, 2009 AT (OFFICE): NHPUC

FROM: Maureen L. Reno M/R

Utility Analyst III

SUBJECT: Staff Recommendation Re: DE 09-189, Public Service Company of

New Hampshire Certification Application for Class II Eligibility of its

Photovoltaic Facility Pursuant to RSA 362-F

TO: Chairman Thomas B. Getz

> Commissioner Clifton C. Below Commissioner Amy L. Ignatius

Debra A. Howland, Executive Director and Secretary

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

Suzanne Amidon, Staff Attorney

Summary

On October 2, 2009, Public Service Company of New Hampshire (PSNH) submitted an application requesting the Commission grant approval of its 51.3 kilowatt (kW) photovoltaic facility (Energy Park facility) at its corporate headquarters to produce Class II Renewable Energy Certificates (RECs) pursuant to RSA 362-F, New Hampshire's Electric Renewable Portfolio Standard law. Pursuant to RSA 362-F:4, II, Class II eligibility requires that a facility provide electricity from solar technologies and that the facility began operation after January 1, 2006. PSNH also included a request under the N.H. Code Admin Rule Puc 201.05 for a waiver of the requirement for an independent monitor. PSNH proposes to read its own meter and report output to the Commission and the NEPOOL Generation Information System (GIS).

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 Energy Pack facility is a customer-sited photovoltaic facility that was installed and passed the initial start-up test required by Puc 905.04 on July 8, 2009. The facility meets the Class II eligibility requirements under RSA 362-F:4, II. Based on its review of the application, Staff recommends that the Commission approve the Energy Park facility as eligible for Class II RECs effective October 2, 2009.

Analysis

The facility's initial start-up test date was July 8, 2009 and the unit has a gross nameplate capacity of 51.3 kW. The photovoltaic facility is located at PSNH's corporate headquarters at 780 North Commercial Street, Manchester, New Hampshire. The NEPOOL GIS facility code has not yet been obtained. PSNH will provide the NEPOOL GIS facility code to the Commission as soon as it is obtained from the GIS administrator. The ISO-NE asset identification number is not applicable as the Energy Park facility is a customer-sited source.

Pursuant to Puc 2505.08, the applicant is required to submit a complete list of the equipment used at the facility and certain information regarding the installer and equipment vendor. The applicant provided a list of equipment purchased from and installed by KW Management, Inc. that includes 183 SunPower photovoltaic panels and 8 SMA Sunny Boy inverters.

The applicant is also required to provide a copy of the interconnection agreement, proof that the applicant's distribution utility approved the installation and a signed attestation that the facility meets applicable building codes. PSNH provided a copy of the approved interconnection application with itself that identified the facility's initial start-up test date as July 8, 2009. The interconnection agreement also included a signed attestation that the facility has been installed and inspected in compliance with the local building and electrical code of Manchester. Staff recommends the Commission find this signed attestation has met Puc 2005.08 (b) (8).

Since the Energy Park facility is a customer-sited source as defined under Puc 2502.13, Puc 2505.09 requires an independent monitor to certify installation of a revenue quality meter and monitor and report the facility's output. However, PSNH requested a waiver of these requirements pursuant to Puc 201.05. PSNH proposes to perform such duties with its own personnel. The Commission standard for granting a waiver of one of its rules is whether "the waiver serves the public interest and the waiver will not disrupt the orderly and efficient resolution of matters before the commission." Puc 201.05 (a). In determining the public interest, the Commission shall waive a rule if compliance with the rule would be onerous or inapplicable given the circumstances of the affected person or the purpose of the rule would be satisfied by an alternative method proposed. Puc 201.05 (b).

According to PSNH, compliance with Puc 2505.09 would be onerous because PSNH would have to hire an independent monitor to conduct tasks that PSNH is qualified to perform with minimal time and cost. In response to Staff information requests, PSNH stated that it would have to pay an independent monitor \$1,000 per year. This fee would have to be recovered from ratepayers or subtracted from the value of the RECs. As an alternative, PSNH purposes that its Supplemental Service Department, based in Hooksett, would read the revenue quality meter when it reads Energy Park's existing electric meter. The additional time and cost to read the revenue quality meter, verify the accuracy of the information and report the facility's output to the Commission and the NEPOOL GIS

would be minimal. Staff agrees that requiring PSNH to hire an independent monitor to complete the same tasks it is qualified to perform at a lower cost is onerous, and that the rule would be satisfied by the alternative method proposed by PSNH. Therefore, Staff recommends that the Commission grant PSNH a waiver of the requirements to hire an independent monitor under Puc 2505.09.

Recommendation

Staff has reviewed PSNH's application for its customer-sited photovoltaic facility and can affirm it is complete pursuant to N. H. Code Admin. Rule Puc 2500. Staff recommends that the Commission certify the Energy Park photovoltaic facility as being eligible for Class II RECs effective October 2, 2009, the date on which Staff was able to make a determination that the facility met the requirements for certification as a Class II renewable energy source. Staff also recommends that the Commission grant PSNH a waiver of the requirement to use an independent monitor to measure, verify and report the facility's output, provided that PSNH perform the same task required under Puc 2505.09 (h).