

STATE OF NEW HAMPSHIRE

Intra-Department Communication

DATE: December 11, 2009

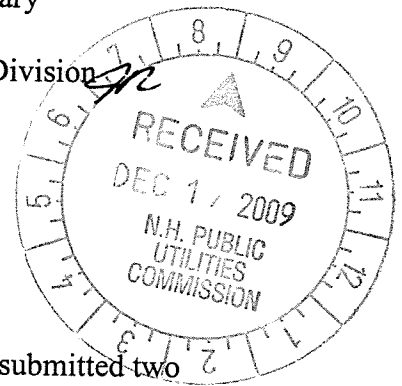
AT (OFFICE): NHPUC

FROM: Maureen L. Reno *MLR*
Utility Analyst III

SUBJECT: Staff Recommendation Re: DE 09-231 and DE 09-232, Conservation Services Group Certification Applications for Class I Eligibility Pursuant to RSA 362-F on behalf of Innovative Energy Systems, Inc.

TO: Chairman Thomas B. Getz
Commissioner Clifton C. Below
Commissioner Amy L. Ignatius
Debra A. Howland, Executive Director and Secretary

CC: Jack K. Ruderman, Director, Sustainable Energy Division
Suzanne Amidon, Staff Attorney



Summary

On November 19, 2009, Conservation Services Group (CSG) submitted two applications on behalf of Innovation Energy Systems, Inc. (IES) requesting the Commission grant approval of the Hyland and Clinton landfill methane gas facilities¹ (Hyland and Clinton facilities) located in New York to produce Class I Renewable Energy Certificates (RECs) pursuant to RSA 362-F, New Hampshire's Electric Renewable Portfolio Standard law. Pursuant to RSA 362-F:4, I, Class I eligibility requires a facility to have begun the production of electricity after January 1, 2006 and to use certain sources to produce electricity, one of which is methane gas.

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 CSG applications were completed on November 19, 2009. The Hyland and Clinton facilities meet the Class I eligibility requirements under RSA 362-F:4, I. CSG has complied with the N. H. Code Admin. Rule Puc 2500 and has provided all the necessary information. Based on its review of the application, Staff recommends that the Commission approve the CSG facilities as eligible for Class I RECs effective November 19, 2009.

¹ The facilities are owned by Casella Waste Systems.

Analysis

The facilities are landfill methane gas facilities located in New York and began operation during the fall of 2008. Each facility has a gross nameplate capacity of 4.8 megawatts (MW). The details for each facility are listed in the following table.

Commission Assigned Docket #	Facility Name	Facility Location	GIS Facility Code	Operation Date	Total MW listed in application
DE 09-231	Hyland	6653 Herdman Rd, Angelica, NY	IMP 32717	August 29, 2008	4.8
DE 09-232	Clinton	286 Sand Rd, Morrisonville, NY	IMP 32730	October 21, 2008	4.8

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.” CSG submitted copies of the Hyland facility interconnection agreement with Rochester Gas and Electric Corporation dated August 25, 2008 and the Clinton facility interconnection agreement with New York State Electric & Gas Corporation effective September 19, 2008.

Pursuant to Puc 2505.02 (b) (11), the applicant must indicate whether the facility has been certified under another non-federal jurisdiction’s renewable portfolio standard and proof thereof. Both the Hyland and Clinton facilities have been certified in Maine as Class I Renewable Energy Sources, in Massachusetts as New Renewable Energy Generators and in Rhode Island as New, Eligible Renewable Energy Resources. The Hyland facility has also been certified in Connecticut as a Class I source

The Hyland and Clinton facilities are located in New York, which is a control area adjacent to the New England control area. Therefore, the facilities geographically qualify to import power into the New England control area pursuant to the NEPOOL GIS Operating Rules 2.7(c). Pursuant to Puc 2504.01(a) (2), a facility in an adjacent control area may be eligible to produce renewable energy certificates provided that the electricity is delivered into the New England control area and such delivery is verified by submitting to the Commission the following:

- a) Documentation of a unit-specific bilateral contract that is executed between the source owner, operator, or authorized agent and an electric energy purchaser located within the New England control area;
- b) Proof of associated transmission rights for delivery of the source's electricity to the New England control area;
- c) Documentation that the electricity delivered was settled in the ISO-New England wholesale market system;
- d) Documentation that the source produced the amount of megawatt-hours claimed per hour, as verified by the GIS administrator; and

- e) Confirmation that the electricity delivered received a North American Electric Reliability Corporation tag from the originating control area to the New England control area.

The applicant will initially be required to provide to the Commission documentation of a unit-specific contract, item (a), for each facility and resubmit such documentation when substantial changes are made. Additionally, the applicant will be required to provide to the Commission on a quarterly basis items (b) through (e) to receive Class I RECs associated with electricity imported into the New England control area.

Recommendation

Staff has reviewed the Hyland and Clinton facility applications and can affirm that they are complete pursuant to N. H. Code Admin. Rule Puc 2500. Staff recommends that the Commission certify the Hyland and Clinton facilities as being eligible for Class I RECs effective November 19, 2009, the date on which Staff was able to make a determination that the facilities meet the requirements for certification as Class I renewable energy sources.

