

STATE OF NEW HAMPSHIRE

Intra-Department Communication

DATE: May 26, 2010

AT (OFFICE): NHPUC

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

SUBJECT: Staff Recommendation Re: DE 10-114, Conservation Services Group
Certification Application for Class II Eligibility and Request for
Aggregation Pursuant to RSA 362-F on behalf of EOS Project
Berkshire Bundle, LLC

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

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



Summary

On April 26, 2010, Conservation Services Group (CSG) submitted an application on behalf of EOS Project Berkshire Bundle LLC (EOS) requesting that the Commission grant approval of its seven photovoltaic facilities located in Massachusetts 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 produce electricity from solar technologies and that it began operation after January 1, 2006.

CSG also requested that the Commission grant CSG aggregator status of the seven facilities titled the EOS Project Berkshire Bundle Solar Aggregation (Berkshire Aggregation). If the Commission approved this request, the Independent System Operator-New England Power Pool (ISO-NEPOOL) generation information system (GIS) would recognize all of the eligible EOS facilities as a single generator and issue RECs for this aggregation's total monthly output. Because the aggregation of multiple customer-sited sources is permitted by the NEPOOL GIS, and because New Hampshire's RPS uses the NEPOOL GIS system pursuant to RSA 362-F:6 I, Staff recommends the Commission grant CSG's request.

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 receipt of a completed application. The seven Massachusetts facilities are customer-sited rooftop photovoltaic facilities that began operation in 2010. The facilities meet 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 facilities included in the Berkshire Aggregation as eligible for Class II RECs effective April 26, 2010.

Analysis

The facilities are customer-sited photovoltaic rooftop arrays located in Massachusetts that began operation in 2010. Each facility's gross nameplate capacity ranges from 64 kilowatts (kW) to 277 kW. The details for each facility are listed in the following table.

Facility Name	Facility Location	Operation Date	Total kW listed in application (DC Arrays)
Bedard Brothers	Cheshire, MA	March 09, 2010	64.0
Berkshire South Regional Community Center	Barrington, MA	March 25, 2010	84.0
Brandeis University	Waltham, MA	March 01, 2010	277.0
Hancock Shaker Village	Hancock, MA	March 09, 2010	89.6
Quality Printing	Pittsfield, MA	February 25, 2010	140.0
Town of West Stockbridge Town Hall	Stockbridge, MA	March 11, 2010	64.0
Wheeler School	Seekonk, MA	March 05, 2010	100.0

Pursuant to the N. H. Code of Administrative Rules Puc 2505.08, the applicant is required to submit a complete list of the equipment used at the facilities and certain information regarding the installer, seller and independent monitor. The applicant provided a list of the inverter and solar panels installed at each facility by Alteris Renewables. Since the facilities are customer-sited sources, their output is not recorded in the NEPOOL Market Settlement System and, as a result, their output must be monitored, verified and entered into the NEPOOL GIS by an independent monitor pursuant to Puc 2505. The application states and Staff verified that the facilities' daily electricity generation is monitored by Fat Spaniel Technologies, Inc (Fat Spaniel).

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. The applicant submitted a copy of interconnection agreements between EOS and each facility's electric distribution utility. National Grid has interconnection agreements with EOS for the West Stockbridge Town Hall, Bedard Brothers, Berkshire South Regional Community Center and Wheeler

School facilities. The Brandeis University facility is interconnected with NStar. The Quality Printing and Hancock Shaker Villager facilities are interconnected with Western Massachusetts Electric Company. The applicant also provided a signed attestation by John Guerin, Director of Energy Development, of EOS, stating that the facilities were installed and are operating in conformance with applicable building codes. Staff recommends that the Commission find the signed attestation and the interconnection agreements have met Puc 2005.08 (b) (7) and (8).

Staff also supports CSG's request for aggregation of the above-named photovoltaic facilities because the aggregation complies with the NEPOOL GIS Operation Rules. Pursuant to the NEPOOL GIS Operating Rules 2.1 (a) (vi) and (c), multiple facilities represented by the same Non-NEPOOL generator representative may elect to be treated as a single GIS generator provided: 1.) the aggregation has a total nameplate capacity of less than five megawatts; 2.) all the facilities generate electricity from the same type of source; and 3.) the facilities are located in the same state. CSG has applied for and received a GIS facility code for the Berkshire Aggregation. This aggregation code, NON 32917, will allow Fat Spaniel to report the total monthly output of the facilities in lieu of reporting output for each facility.

CSG's aggregation would also decrease the loss in revenues due to fractional RECs, reduce transactions costs and simplify reporting. Since the NEPOOL GIS requires Non-NEPOOL generators to report meter data for whole megawatt-hours, CSG would lose some revenue when Fat Spaniel reports generation for individual facilities.¹ If the Commission were to approve CSG's request, Fat Spaniel would report total megawatt-hour output for the whole aggregation each month, thereby reducing the amount of lost kilowatt-hours. Aggregating the facilities would also reduce the transactions costs of trading RECs because CSG would only have to negotiate the terms of sale of RECs from the whole aggregation in lieu of contracts for each individual facility. Finally, Fat Spaniel would save time reporting to the NEPOOL GIS only the output of the total aggregation.

Recommendation

Staff has reviewed CSG's application for photovoltaic facilities located on the above-named customer-sited rooftops and can affirm they are complete pursuant to Puc 2500. Staff recommends that the Commission grant CSG's request to be named as the aggregator of the Berkshire Aggregation and that this aggregation be eligible to receive Class II RECs effective April 26, 2010.

¹ See *NEPOOL GIS Operating Rule 2.1 (c)*.