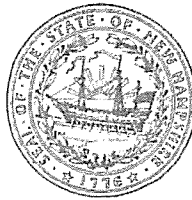


THE STATE OF NEW HAMPSHIRE

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December 12, 2013

William P. Short III
Consultant
44 West 62nd Street
PO Box 237173
New York, NY 10023-7173

**Re: DE 12-278, Contoocook Hydro, LLC, Application for Certification as a REC
Eligible Facility - Hopkinton Hydro Project, Letter of Deficiency**

Dear Mr. Short:

On October 31, 2013, Commission staff sent a letter of deficiency with respect to your application on behalf of Contoocook Hydro, LLC (Contoocook Hydro) for Class I renewable energy certificate (REC) eligibility for increased incremental output from the 0.25 MW Hopkinton Hydro Project (Hopkinton Project).

On November 15, 2013, the Commission received Contoocook Hydro's response to this deficiency letter. Staff has reviewed the response submitted, and hereby requests additional information to support Contoocook Hydro's request to approve the Hopkinton Project for Class I REC eligibility based on the increased average annual production of the facility from approximately 780 MWh to approximately 1,120 MWh.

Please provide the following additional information in support of the Contoocook Hydro Class I REC eligibility application:

1. Provide a report of the improvements made to the Hopkinton Project during the relevant time periods, stating whether these improvements are efficiency improvements, operating and maintenance items, or some other type of improvement.
2. Identify the four improvements that have had the greatest impact on the increased electricity production at the Hopkinton Project, describe the causal connection between these specified improvements and the increases in production, and provide a good faith estimate of the quantity of increased

production attributable to each such improvement (either in kWh or on a percentage basis).

3. Provide a copy of all letters issued by the Federal Energy Regulatory Commission and/or the New Hampshire DES Dam Bureau from 1998 through 2012 with respect to the structural condition of the dam at the Hopkinton Project, including, but not limited to, any letters related to inspection, repair, replacement, modification, operation or maintenance of the dam.
4. Provide a copy of all information submitted to the Rhode Island Public Utilities Commission and/or its consultant in support of the Hopkinton Hydro application in Docket No. 4357, with the exception of any such information that is posted on the public web site maintained by the Rhode Island PUC.
5. Provide a copy of all information submitted to the Maine Public Utilities Commission in support of the Contoocook Hydro request for certification for RPS eligibility in Docket No. 2013-00163, with the exception of any such information that is publically available on the web site maintained by the Maine PUC.

Pursuant to Puc 201.04 and Puc 203.08, if any of the additional information requested contains information reasonably believed to be eligible for confidential treatment, it should be submitted in both public redacted and confidential unredacted versions, together with a written request for confidential treatment of the redacted information. Staff acknowledges that the information requested in Paragraph 3 above may contain "Critical Energy Infrastructure Information," and Staff will recommend to the Commission that any such CEII be afforded the highest level of confidential treatment, consistent with the requirements of federal law.

As previously noted, the Commission seeks to clarify these issues to ensure that the record in this docket supports a determination regarding Contoocook Hydro's eligibility as a source of Class I RECs based on the incremental increases in its generation output. Under RSA 362-F:4, I (i), Class I REC production includes only the "incremental new production of electricity in any year from ... any hydroelectric generating facility ... over its historical generation baseline, provided the commission certifies demonstrable completion of capital investments attributable to the efficiency improvements, additions of capacity, or increased renewable energy output that are sufficient to, were intended to, and can be demonstrated to increase annual renewable electricity output. The determination of incremental production shall not be based on any operational changes at such facility but rather on capital investments in efficiency improvements or additions of capacity."

Please refer to docket number DE 12-278 in your correspondence with the Commission. Your response should include an original and two copies sent to the attention of the Commission's Executive Director at the following address:

Debra A. Howland, Executive Director
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301-2429
executive.director@puc.nh.gov

Please also send an electronic copy via email to executive.director@puc.nh.gov, and copy me at barbara.bernstein@puc.nh.gov. Should you have any questions, please do not hesitate to contact me. My direct line is 603-271-6011.

Sincerely,

A handwritten signature in cursive script that reads "Barbara Bernstein".

Barbara Bernstein
Sustainable Energy Analyst

cc: David K. Wiesner, NHPUC Staff Attorney
Jack Ruderman, Director, Sustainable Energy Division