

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: January 22, 2013

AT (OFFICE): NHPUC

FROM: Barbara Bernstein *BB*
Sustainable Energy Analyst

SUBJECT: **DE 12-364**, Algonquin Power Company's Application for the Mine Falls Hydroelectric Limited Partnership – Mine Falls Hydroelectric Project's Certification for Class IV New Hampshire Renewable Energy Certificates Pursuant to RSA 362-F
Staff Recommends that Eligibility be Granted

TO: Chairman Amy L. Ignatius
Commissioner Robert R. Scott
Commissioner Michael Harrington
Debra A. Howland, Executive Director and Secretary

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



Summary

On December 24, 2012, Algonquin Power Company (Algonquin Power) submitted an application requesting Class IV certification for the Mine Falls Hydroelectric Limited Partnership (Mine Falls Hydro Partnership) – Mine Falls Hydroelectric Project's (Mine Falls Hydro) pursuant to RSA 362-F, New Hampshire's Renewable Portfolio Standard. Staff has reviewed the Hydro Management certification request for Mine Falls Hydro's 3 megawatts (MW) of electrical production and has determined that it meets the eligibility requirements under RSA 362-F:4, as a Class IV hydro facility and complies with the New Hampshire Code of Administrative Rules Puc 2500. Staff has determined that the application was complete as submitted and recommends Commission approval for Mine Falls Hydro as a Class IV renewable energy source effective December 24, 2012.

Analysis

To qualify as a facility eligible to produce RECs, Puc 2505.02 (b) requires the source to demonstrate its eligibility by completing the following:

- 1) *The name and address of the applicant:* The applicant is Mine Falls Hydro Partnership, 2845 Bristol Circle, Oakville, ON, Canada, L6H7H7.
- 2) *The name and location of the facility:* Mine Falls Hydro is located at 15 Riverside Street, Nashua, NH 03062.

- 3) *The ISO-New England asset identification number (if available).* The ISO-New England asset identification number is ISO-NE# 869.
- 4) *The GIS facility code if available.* The NEPOOL GIS facility code has been verified as MSS 869.
- 5) *A description of the facility including fuel type, gross nameplate generation capacity, the initial commercial operation date, and the date it began operation, if different.* Mine Falls Hydro is located on the Nashua River in the City of Nashua, NH. The facility includes a 19.5-foot high dam, a 250-foot long concrete-block retaining wall, a 242-acre reservoir, a 350-foot long canal, a powerhouse, diadromous fish ladders and other appurtenances. The facility began commercial operation in 1986; the nameplate generation capacity is 3 megawatts (MW) of electricity.
- 6) *(N/A – pertains to biomass sources).*
- 7) *All other necessary regulatory approvals, including any reviews, approvals or permits granted by the department.* Mine Falls Hydro has been approved by the Federal Energy Regulatory Commission, (FERC Project # 3442), and by the United States Environmental Protection Agency (EPA).
- 8) *Proof that the applicant either 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.* Pertinent Pages of an Operating Agreement for Purposes of Wheeling and Power Sales between Mine Falls Hydro Partnership and Public Service Company of New Hampshire (PSNH) dated June 01, 2003 has been provided.
- 9) *(N/A – pertains to biomass sources).*
- 10) *A description of how the generation facility is connected to the distribution utility.* The Mine Falls Hydro project's electric generating facility is interconnected with the electric system of PSNH.
- 11) *A statement as to whether the facility has been certified under another non- federal jurisdiction's renewable portfolio standard and proof thereof.* Mine Falls Hydro is not currently certified as a renewable energy resource in any non-federal jurisdiction's renewable portfolio standard.
- 12) *A statement as to whether the facility's output has been verified by ISO New England.* The Mine Falls Hydro project has been verified through the GIS database.
- 13) *A description of how the facility's output is reported to the GIS if not verified by ISO-New England.* Not applicable.

14) An affidavit by the owner attesting to the accuracy of the contents of the application. An affidavit signed by Ian E. Robertson, Chief Executive Officer, Algonquin Power was provided with the application as an attachment labeled Section 26.

Pursuant to RSA 362-F:4, to qualify as a Class IV source, the hydroelectric generation facility must have begun operation on or before January 1, 2006 and when required, have documented applicable state water quality certification pursuant to section 401 of the Clean Water Act for hydroelectric projects. In addition, the generation facility must either:

- (a) Have a total nameplate capacity of 5 MWs or less as measured by the sum of the nameplate capacities of all generators at the facility, and have actually installed both upstream and downstream diadromous fish passages and such installations have been approved by FERC; or,
- (b) Have a total nameplate capacity of one MW or less as measured by the sum of the nameplate capacities of all generators at the facility, be in compliance the FERC fish passage restoration requirements, and be interconnected with an electric distribution system located in New Hampshire.

Mine Falls Hydro began commercial operation in 1986, has a capacity of 3 MW and has FERC approved upstream and downstream diadromous fish passages.¹

Recommendation

Staff has reviewed Mine Falls Hydro's application for certification as a Class IV facility and can affirm it is complete pursuant to N. H. Code Admin. Rule Puc 2500 and the conditions of RSA 362-F:4. Staff recommends that the Commission certify Mine Falls Hydro's electricity production as being eligible for Class IV RECs effective December 24, 2012, 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.

¹ The fish ladders are described in the attachment labeled Section 18, which also includes FERC Order #3442.

