



The State of New Hampshire
DEPARTMENT OF ENVIRONMENTAL SERVICES

DE 08-024



Thomas S. Burack, Commissioner

March 7, 2008

Debra A. Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301-2429

Re: Conditional Certification as a Class III Renewable Energy Source
Pinetree Power, Inc.
Bethlehem, NH



Dear Ms. Howland:

The New Hampshire Department of Environmental Services (DES) received an application from Pinetree Power, Inc. for their wood-fired power plant located in Bethlehem, NH to be certified as a Class III renewable energy source. DES has reviewed the application and recommends that the Public Utilities Commission (PUC) grant conditional approval to Pinetree – Bethlehem as a Class III renewable energy source eligible to generate renewable energy certificates. A summary of the facility description, DES's review of particulate and NOx emission rates and monitoring requirements, and recommended conditions of the approval are presented below.

Facility Description

Facility Name: Pinetree Power, Inc.
Facility Location: 1241 Whitefield Road
Bethlehem, NH 03574

ISO New England Asset Identification #: MSS 337
NEPOOL GIS Facility Code: ORISPL 50208

Gross Nameplate Capacity: 17.1 MW
Began operation: December 24, 1986
Primary Fuel: Biomass fuels including clean and untreated wood such as brush, stumps, lumber ends and trimmings, wood pallets, bark, wood chips, wood pellets, shavings, sawdust, and slash, which meets the definition of New Hampshire Revised Statutes Annotated RSA 362-F:2 II.

Particulate Emissions

New Hampshire Code of Administrative Rules Puc 2502.15, "Eligible biomass technologies", requires that the facility meet an average particulate emission rate limit of 0.02 lb/MMBtu.

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Pinetree – Bethlehem has indicated that it will be moving the CEM cabinet, sample cord, and sample port as part of the NOx emissions control system installation described above. DES believes that these changes warrant testing to confirm that the new setup meets applicable standards and will provide accurate data. On March 7, 2008, DES discussed with a representative of Pinetree – Bethlehem the steps that they will take to ensure that the modified CEM will provide accurate data after it is modified. Pinetree – Bethlehem has proposed to perform a cylinder gas audit and have a stack traverse performed by a qualified tester within 7 days of completing the modifications, and perform a RATA no later than May 31, 2008. DES believes that results of the cylinder gas audit, stack traverse, and RATA will be sufficient to determine whether the new CEM setup has provided NOx emissions data sufficient to determine compliance with the NOx RPS for the April – June 2008 quarter.

Conclusion and Recommended Conditions of Approval

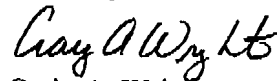
DES believes that, with the modifications proposed by Pinetree – Bethlehem, it will meet the requirements to be certified Class III - Existing Biomass/Methane renewable energy source. DES recommends that, with the following conditions, the PUC certify Pinetree – Bethlehem as Class III renewable energy source eligible to generate renewable energy certificates:

- 1) Pinetree – Bethlehem shall obtain a Temporary Permit to install NOx emission control devices, and install and operate those devices to meet the quarterly NOx RPS standard of 0.075 lb/MMBtu.
- 2) Pinetree – Bethlehem shall:
 - a) complete proposed modifications to the NOx CEM;
 - b) perform a cylinder gas audit within 7 days of completion of the modifications;
 - c) have a traverse performed by a qualified tester within 7 days of completion of the modifications; and
 - d) perform a RATA by May 31, 2008.
- 3) Pinetree – Bethlehem shall perform an emission test for TSP in accordance with Env-A 800, *Testing and Monitoring Procedures*, by June 30, 2008.

The dates provided in the conditions above are set in order for Pinetree – Bethlehem to be eligible to generate renewable energy certificates for the April – June 2008 quarter, which is Pinetree – Bethlehem's intent. Failure to meet those dates does not mean that Pinetree – Bethlehem could not become eligible to generate renewable energy certificates in future quarters.

If you have any questions regarding DES's evaluation of the application or our conclusions, please contact Todd A. Moore of the Permitting and Environmental Health Bureau at todd.moore@des.nh.gov or (603) 271-6798.

Sincerely


Craig A. Wright
Acting Assistant Director
Air Resources Division

Cc: David J. Shulock, Esq., Brown, Olson & Gould
Mark Driscoll, Pinetree Power, Inc.
Herc Dodge, Pinetree Power, Inc.