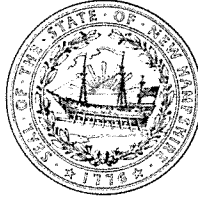


THE STATE OF NEW HAMPSHIRE

CHAIRMAN
Thomas B. Getz

COMMISSIONERS
Graham J. Morrison
Clifton C. Below

EXECUTIVE DIRECTOR
AND SECRETARY
Debra A. Howland



PUBLIC UTILITIES COMMISSION
21 S. Fruit Street, Suite 10
Concord, N.H. 03301-2429

Tel. (603) 271-2431

FAX (603) 271-3878

TDD Access: Relay NH
1-800-735-2964

Website:
www.puc.nh.gov

September 23, 2008

William H. Smagula
Director, PSNH Generation
Public Service Company of New Hampshire
P.O. Box 330
Manchester, New Hampshire 03105-0330

Re: DE 08-042, Public Service Company of New Hampshire
J. Brodie Smith Hydroelectric Generation Facility
Certification Application for Class I Eligibility pursuant to RSA 362-F

Dear Mr. Smagula:

On March 18, 2008, Public Service Company of New Hampshire (PSNH) submitted an application requesting "eligibility for Smith Station incremental hydroelectric generation to acquire Class I renewable energy certificates beginning January 1, 2008" pursuant to RSA 362-F, New Hampshire's Renewable Portfolio Standard law. Staff has reviewed the application and recommends that the incremental new production of electricity over the historical generation baseline production be eligible for Class I renewable energy certificates (RECs).

Pursuant to Puc 2505.05 (b) and (c), "The commission shall certify a...hydroelectric generation facility as an eligible Class I resource under this rule when the applicant demonstrates that it has made capital investments after January 1, 2006 with the successful purpose of improving the efficiency or increasing the output of renewable energy from the facility. The commission shall limit the certification of an applicant under this rule to the amount of incremental new production directly attributable to the new capital investments that formed the basis of the application."

The application indicates that the Smith hydroelectric facility is a single-unit hydroelectric generation facility located on the Androscoggin River at 99 Glen Avenue, Berlin, New Hampshire. The facility originally had a gross nameplate capacity of 15 megawatts (MW) and was issued a 30-year renewed license in 1994 by the Federal Energy Regulatory Commission (FERC). *See* Appendix A – FERC Operating License. PSNH completed a capital investment project in 2006 to replace the original turbine with a high-efficiency design turbine. Based on the investment in the high-efficiency design turbine, the

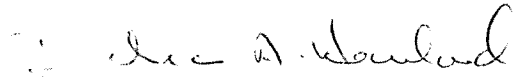
September 23, 2008
Page two

facility entered commercial operation with an improved gross nameplate capacity of 17.6 MW on December 15, 2006. The facility's ISO-NE asset identification number is 570 and NEPOOL GIS facility number is MSS570.

The Commission has reviewed PSNH's application for the Smith hydro facility and determined that it has provided all the necessary information to demonstrate that the incremental new production of electricity over its historical generation baseline production from the Smith hydro facility is eligible for renewable energy certificates. The Commission has determined that the amount of the Smith hydro facility's historical generation baseline production is 102,431.2 megawatt hours. Therefore, the Commission hereby certifies that PSNH's J. Brodie Smith hydroelectric facility's new incremental production of electricity in any year and for any megawatt hours that exceed the historical generation baseline production is eligible for Class I renewable energy credits effective July 29, 2008, the date on which the information required by Puc 2500 was received by the Commission and the application considered complete.

Attached please find a copy of the notice of this certification provided to the GIS administrator. The New Hampshire Renewable Portfolio Standard certification code for the J. Brodie Smith hydroelectric generation facility is NH-I-08-011.

Sincerely,



Debra A. Howland
Executive Director

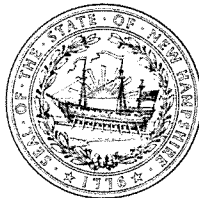
Encl.

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September 23, 2008

Bryan Gower
GIS Administrator
APX, Inc.
5201 Great America Parkway, Suite 522
Santa Clara, CA 95054

Re: DE 08-042 Public Service of New Hampshire
J. Brodie Smith Hydroelectric Generation Facility
Certification of Incremental New Production of Electricity as Eligible for Class I
Renewable Energy Certificates pursuant to RSA 362-F

Dear Mr. Gower:

Please be advised that, pursuant to NH RSA 362-F, the New Hampshire Public Utilities Commission has certified the incremental new production of electricity of Public Service of New Hampshire's J. Brodie Smith hydroelectric generation facility as eligible for Class I renewable energy certificates (RECs) effective July 29, 2008. The historical generation baseline production of electricity is 102,431.2 megawatt hours. The amount of Class I RECs this facility is eligible for will be the incremental new production of electricity in any year and for any megawatt hours that exceed the historical generation baseline production.

The Smith hydroelectric facility is a single-unit hydroelectric generation facility located on the Androscoggin River at 99 Glen Avenue, Berlin, New Hampshire. The facility originally had a gross nameplate capacity of 15 megawatts (MW) and was issued a 30-year renewed license in 1994 by the Federal Energy Regulatory Commission (FERC). PSNH completed a capital investment project in 2006 to replace the original turbine with a high-efficiency design turbine. Based on the investment in the high-efficiency design turbine, the facility entered commercial operation with an improved gross nameplate capacity of 17.6 MW on December 15, 2006. The facility's ISO-NE asset identification number is 570 and NEPOOL GIS facility number is MSS570. The New Hampshire RPS certification code is NH-I-08-011.

Sincerely,

A handwritten signature in cursive script that reads "Debra A. Howland".

Debra A. Howland
Executive Director

cc: William H. Smagula, Director, PSNH Generation