

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: October 16, 2008

AT (OFFICE): NHPUC

FROM: ^{SCM} Henry J. Bergeron (V) ^(M)
Utility Analyst III

SUBJECT: DE 08-124, FPL Energy Maine Hydro LLC's Application of the Bar Mills Project Hydroelectric Facility for Class IV Eligibility Pursuant to RSA 362-F
Staff Recommendation

TO: Chairman Thomas B. Getz
Commissioner Graham J. Morrison
Commissioner Clifton C. Below
Debra A. Howland, Executive Director and Secretary

CC: Thomas C. Frantz, Director of the Electric Division
Steven E. Mullen, Assistant Director of the Electric Division
Suzanne Amidon, Staff Attorney

Summary

On September 25, 2008, FPL Energy Maine Hydro LLC (FPL Energy) submitted an application requesting the Commission grant approval of its Bar Mills Project (Bar Mills) hydroelectric facility to produce Class IV Renewable Energy Certificates (RECs) pursuant to RSA 362-F, New Hampshire's Renewable Portfolio Standard law. Pursuant to RSA 362-F:4, IV, Class IV eligibility requires that a facility: 1) began operation prior to January 1, 2006; 2) has a gross nameplate capacity of 5 megawatts (MW) or less; 3) has installed upstream and downstream diadromous fish passages that have been required and approved under the terms of its Federal Energy Regulatory Commission (FERC) license or exemption; and 4) when required, has documented applicable state water quality certification pursuant to section 401 of the Clean Water Act.

Pursuant to RSA 362-F, the Commission, in a non-adjudicative process, must issue a determination of whether a facility meets a particular classification within 45 days of a completed application. The Bar Mills hydroelectric facility application was completed on September 25, 2008. The facility meets the Class IV eligibility requirements under RSA 362-F:4, IV and FPL Energy has complied with the N. H. Code Admin. Rule Puc 2500 and has provided all the necessary information. Based on its review of the application, Staff recommends that the Commission approve the Bar Mills hydroelectric facility as eligible for Class IV RECs.

Analysis

The Bar Mills Project is located on the Saco River in the Towns of Buxton and Hollis, Maine and operates on a store and release mode. The project was constructed in 1956 and has a gross nameplate capacity of 4 MW. The original fifty-year FERC license was issued effective July 1, 1955 and expired on June 30, 2005. A forty-year license was subsequently issued in August 2008. The facility's ISO-NE asset identification number is 754 and the NEPOOL GIS facility number is MSS754.

Pursuant to RSA 362-F:4, IV, the facility must have "installed upstream and downstream diadromous fish passages that have been required and approved under the terms of its [Federal Energy Regulatory Commission (FERC)] license or exemption". FPL Energy stated that a downstream anadromous fish passage was installed in 2000. Interim downstream eel passage measures are to be provided as needed and permanent downstream eel passage measures are to be operational by 2026. An upstream eel passage facility is required by 2014, and an upstream anadromous fish passage facility by 2016.

RSA 362-F:4 IV requires a hydroelectric facility, as a condition of eligibility, to have "applicable state water quality certification pursuant to section 401 of the Clean Water Act." The State of Maine Department of Environmental Protection issued a Water Quality Certification for the Bar Mills Hydroelectric Project on June 19, 2008.

Pursuant to Puc 2505.02 (b) (8), the applicant must submit proof that it 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." FPL Energy submitted relevant portions of its "Continuing Site/Interconnection Agreement By and Between Central Maine Power Company and FPL Energy Maine, Inc." dated January 6, 1998.

Pursuant to Puc 2505.02 (b) (11), the applicant shall include a statement as to whether the facility has been certified under another non-federal jurisdiction's renewable portfolio standards and proof thereof. The Bar Mills facility is certified in Connecticut as a Class II facility, as a renewable resource in Massachusetts, and as a Class II facility in Maine.

Recommendation

Staff has reviewed FPL Energy's application for the Bar Mills Project hydroelectric facility and can affirm it is complete pursuant to N. H. Code Admin. Rule Puc 2500. Staff recommends that the Commission certify the Bar Mills Project hydroelectric facility as being eligible for Class IV RECs, effective September 25, 2008, the date the completed application was received from FPL Energy.