

STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION

DOCKET NO. DE 14-104

ELECTRIC RENEWABLE PROFOLIO STANDARD

COMMENTS OF

NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.

New Hampshire Electric Cooperative, Inc. ("NHEC") hereby respectfully submits the following written comments in supplement of its oral comments made at the May 1, 2014 public statement hearing in the above-captioned docket.

Unavailability of Class III REC's

To-date, NHEC has been generally able to meet its current and projected RPS REC obligations without significant current or projected ACP expenditures. The singular exception to this experience has been Class III RECs, where market conditions driven by the operation of similar RPS programs in other states have made New Hampshire Class III RECs unavailable at prices equal to or lower than the ACP. As a result, if current Class III requirements are not adjusted, NHEC projects its members will fund Class III ACP expenditures of \$310,000 for 2013, \$650,000 for 2014 and \$2,372,000 for 2015.

At the Commission's public statement hearing there was a consensus that it cannot be reasonably expected that there will be any meaningful change in the availability of Class III RECs for the 2013 or 2014 compliance years. There apparently remains some uncertainty as to the likely state of the Class III market for 2015.

RSA 362-F:4(VI) Formula

Pursuant to RSA 362-F:4(VI), the Commission has the authority to modify Class III REC requirements. While the statute leaves to the sound discretion of the Commission the decision as whether or not such modifications should be made, the statute expressly dictates the formula for such modifications. RSA 362-F:4(VI) reads in its entirety:

VI. After notice and hearing, **the commission may modify** the class III and IV renewable portfolio standards requirements under RSA 362-F:3 for calendar years beginning January 1, 2012 **such that the requirements are equal to an amount between 85 percent and 95 percent of the reasonably expected potential annual output of available eligible sources after taking into account demand from similar programs in other states.**

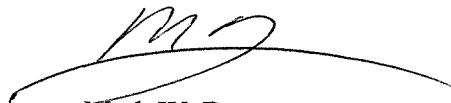
(Emphasis added).

The record uniformly supports the conclusion that for 2013 and 2014, “the reasonably expected potential annual output of available eligible [Class III] sources after taking into account demand from similar programs in other states,” is zero. Accordingly, any modification of the current Class III requirements for the compliance years 2013 and 2014 should make those requirements equal to zero.

Respectfully submitted,

New Hampshire Electric Cooperative, Inc.

By its attorney,


Mark W. Dean