

NEW HAMPSHIRE CODE OF ADMINISTRATIVE RULES

CHAPTER Puc xxx: VALUE OF AVOIDED COSTS FOR PURCHASES UNDER PURPA

SUMMARY - This rule establishes the requirements for PURPA jurisdictional utilities in New Hampshire to purchase the output from qualifying facilities.

PART 1 PURPOSE

The purpose of this CHAPTER is to establish the avoided costs that qualifying facilities are entitled to receive for the purchase of their output from New Hampshire jurisdictional utilities pursuant to the requirements of PURPA.

PART 2 DEFINITIONS

- 2.1 **Avoided Cost.** Avoided cost shall have the meaning set forth in regulations promulgated by the Federal Energy Regulatory Commission (FERC) in 18 CFR Part 292 as established by the methodology set forth in this chapter. Under section 292.304(d) of the Commission's regulations, a Qualified Facility (QF) also has the unconditional right to choose whether to sell its power "as available" or pursuant to a legally enforceable obligation at a forecasted avoided cost rate determined, at the QF's option, either at the time of delivery or at the time that the obligation is incurred.
- 2.2 **Electric Utility.** "Electric Utility" means an electric distribution company operating within New Hampshire and which is required by PURPA to purchase the output from a QF at the option of the QF owner.
- 2.3 **PURPA. "PURPA" means** The Public Utility Regulatory Policies Act of 1978, as amended, 16 U.S.C. § 824a-3 (2006).
- 2.4 **Qualifying Facility.** "QF" shall have the meaning set forth in 16 U.S. Code 796 (17) and by FERC in 18 CFR Part 292.

PART 3 PURCHASE OBLIGATION

- 3.1. **Purchase Requirement.** An Electric Utility that is required to purchase the output from a QF pursuant to PURPA shall pay to the QF the avoided cost price as established in this CHAPTER, unless such utility and QF agree to a rate for any purchase, or terms or conditions relating to any purchase, which differ from the rate or terms or conditions which would otherwise be required by this chapter and such agreement is approved by the Commission
- 3.2. **Purchase Price.** An Electric Utility shall purchase the output from a QF which will be based upon its Avoided Cost as defined in Section 2.1 above.

PART 4 ADMINISTRATION

QFs shall pay the Electric Utility's administrative costs pursuant to a rate schedule filed with and approved by the Commission. Each Electric Utility shall file a proposed rate schedule within 30 days of the effective date of this Chapter and shall update such rate schedule annually by July 1 of each year.

PART 5 LINE LOSS ADJUSTMENTS

The energy purchase price calculated pursuant to Puc 3.02, above, shall be adjusted to reflect the impact, either positive or negative, that a QF has on the distribution system losses of the Electric Utility. The impact will be considered negligible unless and until the Electric Utility has completed a project- specific line loss study.

PART 6 LIMITATIONS ON PURCHASE OBLIGATION

A QF selling power to an Electric Utility under the terms of this section shall not be required to sell 100 percent of the available energy from the project to the Electric Utility.

PART 7 NET ENERGY BILLING

The provisions of Puc 900 shall control net energy billing arrangements.