

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: March 3, 2021

AT (OFFICE): NHPUC

FROM: Karen P. Cramton, Director, Sustainable Energy Division

SUBJECT: Docket No. REC 21-027 The Holderness School
Request for Limited Approval of an Alternative Method for Measuring
Thermal REC Production Due to Data Logger Malfunction and
Related Waivers of Puc 2506.04 and Puc 2506.05.
**Staff Recommendation to Approve Request and Provide Limited
Waivers of Puc 2506.04 and Puc 2506.05.**

TO: Commissioners
Debra A. Howland, Executive Director

CC: David K. Wiesner, Director, Legal Division

Background and Recommendation Summary

On February 27, 2021, the Commission received a letter from Adam Kohler, P.E., on behalf of The Holderness School. The Holderness School boiler facility (Facility) using wood chips was approved for eligibility to produce New Hampshire Class I Thermal Renewable Energy Certificates (RECs) effective May 4, 2016. Mr. Kohler serves as the independent monitor for the Facility, and has requested one-time approval to use an alternative method of measuring thermal energy during the period from September 1, 2020 through February 28, 2021 due to the failure of the data logger during that time period. Mr. Kohler has also requested waiver of any rules deemed necessary to accommodate that request. Staff has reviewed the request and recommends that the Commission approve it by granting limited waivers of N.H. Admin. R., Puc [2506.04](#) and Puc [2506.05](#).

Request Details

The Facility utilizes the standard methodology for calculating useful thermal energy production from its hot-water boiler, as described in Puc 2506.04 and Puc 2506.05, in which a flow meter, temperature sensors, and computer are used to measure and calculate the amount of useful thermal energy produced. The resulting measurements are transmitted to a data logger, from which Mr. Kohler retrieves the data and calculates the number of RECs produced. Mr. Kohler explained in his letter that:

“When reviewing the trend logs for the energy production of the The Holderness School, I discovered that the data logs for the biomass boiler plant stopped recording on August 4th 2020. This continued until October 11th at which point the data logging issue was

corrected. The data logging continued working until November 16th, at which point the data logs again stopped being recorded. This data logging outage continues to date.

The school is currently working with a consultant to design and implement a new, more robust approach to logging the metering data for their biomass heating plant. This system is expected to be in place and operational by March 1st, 2021.”

Mr. Kohler has requested the use of an alternative method for the measurement of Class I Thermal REC production during the limited time period of September 2020 through February 2021. He described the proposed alternative method and supplied data to support its reasonableness. To summarize, Mr. Kohler analyzed and presented 10 quarters of energy production and fuel delivery data, developed an average relationship between fuel usage and useful thermal energy production over time, and applied the results of that analysis using the records of fuel delivery for the period during which the data logger had failed. He also analyzed the heat content of the fuel to demonstrate the reasonableness of the proposed alternative methodology. He further applies a discount factor of 20% to the results of his initial calculations “[i]n order to make sure that the alternative compliance method does not result in an over counting of T-RECs,” and says that he “can confirm with a high level of confidence that the alternative compliance method proposed closely approximates the actual level of Thermal REC generation that would be expected, with a discounting factor included to ensure that there is no over reporting.”

Staff Recommendation

Staff interprets The Holderness School’s request as effectively a request for waiver of the otherwise applicable metering and calculation requirements set forth in Puc 2506.04 and Puc 2506.05. Based on review and analysis of the request, Staff has determined that the proposal to use the specified alternative method of measuring Class I Thermal REC production for the limited time period of September 2020 through February 2021 is reasonable under the circumstances, and that rule waivers are the appropriate means of facilitating the limited use of that alternative method.

Staff recommends that, pursuant to Puc 201.05,¹ the Commission approve The Holderness School’s request to use the proposed alternative method for the limited time period from September 1, 2020 through February 28, 2021, by granting the Facility a one-time waiver of the otherwise applicable measurement and calculation requirements of Puc 2506.04 and Puc 2506.05. The recommended rule waivers would serve the public interest, in that the purpose of Puc 2506.04 and Puc 2506.05 is to ensure that useful thermal energy is measured and calculated with reasonable accuracy for the purpose of determining Class I Thermal REC production. The purpose of those rules would be

¹ Under Puc 201.05, the Commission must waive the provisions of any of its rules, except where precluded by statute, upon request by an interested party, or on its own motion, if it finds that (1) the waiver serves the public interest, and (2) the waiver will not disrupt the orderly and efficient resolution of matters before the Commission. In determining the “public interest,” the Commission shall waive a rule if either compliance with the rule would be onerous or inapplicable given the circumstances of the affected person, or the purpose of the rule would be satisfied by an alternative method proposed.

satisfied during the limited time period, as a reasonable alternative to the currently-approved method, by the alternative measurement and calculation methods that have been proposed by Mr. Kohler, a licensed New Hampshire professional engineer. Waiver of the rules would also serve the public interest by increasing the availability of New Hampshire Class I Thermal RECs.