

STATE OF NEW HAMPSHIRE

Intra-Department Communication

DATE: May 11, 2021

AT (OFFICE): NHPUC

FROM: Deandra Perruccio, Sustainable Energy Analyst

SUBJECT: REC 21-083 University of New Hampshire
Request for Waiver of Puc 2503.03(d)
Staff Recommends Waiver

TO: Dianne Martin, Chairwoman
Kathryn M. Bailey, Commissioner
Debra A. Howland, Executive Director

CC: Karen P. Cramton, Director, Sustainable Energy Division
David K. Wiesner, Director, Legal Division

On April 27, 2021, the Commission received a letter from Matt L'Heurux with the University of New Hampshire (UNH), requesting a waiver of N.H. Admin. R., Puc 2503.03(d). UNH requests waiver of that rule with respect to 879 MWh of generation from its New Hampshire Class I certified combined heat and power (CHP) plant at 22 Colovos Road in Durham, New Hampshire, (N.H. Class I certification DE 08-133, NEPOOL GIS Code NON32754). UNH requests waiver of Puc 2503.03(d) to allow a provider of electricity obligated under RSA 362-F to submit 879 MWh of generation attributes from the UNH facility toward the New Hampshire Renewable Portfolio Standard (RPS) Class I obligation for the 2020 compliance year, which, due to a clerical error as described below, will not appear as settled renewable energy certificates (RECs) on the provider's "My Settled Certificates Disposition" report. Puc 2503.03(d) states:

A provider of electricity shall separately file its report titled "My Settled Certificates Disposition," issued by the GIS to the provider containing the final number of certificates settled for the prior year no later than July 31 of each year.

The waiver request states that Evolution Markets Inc. facilitates UNH's REC sales and manages its NEPOOL GIS account, including entering production data provided by UNH on a quarterly basis. The request states that, for the first quarter of 2020, the facility's January generation data was erroneously entered into the GIS system under the "Natural Gas" section as opposed to the "Landfill Gas" section. UNH included supporting documentation from the GIS administrator to attest to the facility's generation of this power and the related error in data entry (see waiver request Attachment A). As a result of that error, 879 MWh of facility generation was mislabeled as conventional natural gas, a technology that is not eligible for RECs, and therefore 879 Class I RECs were not created under the approved Class I landfill gas technology label for the facility during the

Q1 2020 period. UNH further included supporting documentation from the GIS administrator to attest that this production will not be able to be sold, transferred, or retired in the NEPOOL GIS system (see waiver request Attachment B).

UNH has requested the rule waiver so that it may market and sell the 879 MWh of renewable generation attributes related to the facility generation for that period, which otherwise meets all qualifications for Class I RECs, to an obligated electricity provider for use toward its 2020 compliance year RPS Class I obligation, prior to the submission deadline of July 1, 2021. UNH does not yet have a buyer for those generation attributes and suggests that a waiver approval will allow it to contract with a buyer for that facility production.

Staff believes the requested waiver would allow UNH to continue to meet the intent of the statutes and rules governing the New Hampshire RPS while addressing a clerical error which would otherwise result in the inability to utilize 879 eligible Class I RECs for RPS compliance. Staff further believe the waiver would reduce the potential for additional alternative compliance payments, the cost of which may be passed on to New Hampshire electricity customers.

Staff therefore recommends approval of the waiver request and allowance of the 879 MWh of generation attributes from UNH's New Hampshire Class I certified CHP plant (N.H. certification DE 08-133, GIS Code NON32754), during the January 2020 production period, to be used by an obligated provider of electricity toward its 2020 N.H. Class I compliance obligation without the submission of a "My Settled Certificates Disposition" report. Staff also recommends that the eventual buyer verify, at the time of its RPS compliance submission, that the generation attributes have been purchased from UNH and used only to meet RPS obligations in New Hampshire, by certifying and providing documentation that the generation attributes have not been accounted for in the RPS compliance obligations of any other jurisdiction.

Staff believes that the requested waiver meets the standard for rule waiver set forth in Puc 201.05, because it would serve the public interest and not disrupt the orderly and efficient resolution of matters before the Commission. In particular, the waiver request represents a proposed "alternative method" to satisfy the purpose of the RPS statute and rules, because it would permit the use for RPS Class I compliance of generation attributes that would otherwise go unused as a result of their inadvertent mislabeling through use of an incorrect NEPOOL GIS technology label.