

STATE OF NEW HAMPSHIRE

Intra-Department Communication

DATE: May 11, 2021

AT (OFFICE): NHPUC

FROM: Deandra Perruccio, Sustainable Energy Analyst

SUBJECT: REC 21-095, Bridgewater Power Company LP
Request for Waiver of Puc 2503.03(d)
Staff Recommends Waiver of Rule

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 May 6, 2021, the Commission received a letter from Michael O’Leary of Bridgewater Power Company LP (Bridgewater), requesting a waiver of N.H. Admin. R., Puc 2503.03(d), with respect to 7,563 MWh of generation from the New Hampshire Class III certified biomass electric generation facility located at 300 Route 3/25 in Bridgewater, New Hampshire (N.H. certification DE 14-209, NEPOOL GIS Code MSS357). Bridgewater requests waiver of Puc 2503.03(d) in order to allow a provider of electricity obligated under RSA 362-F to submit 7,563 MWh of generation attributes from the Bridgewater facility toward the provider’s N.H. Class III Renewable Portfolio Standard (RPS) obligation for the 2020 compliance year, which, due to an error as described below, will not appear 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.

Bridgewater states that, according to the NEPOOL GIS administrator, for the facility’s December 2020 generation data (GIS serial numbers 5673200-1 through 5673200-7563), emissions data was not posted during the required period within the GIS system. According to Bridgewater, that generation meets all N.H. RPS Class III emissions requirements and the waiver request included copies of quarterly emissions reports issued by the New Hampshire Department of Environmental Services and confirmed by the Commission that demonstrate the Bridgewater facility’s compliance with N.H. Class III emissions requirements (see waiver request Attachments A and B).

Bridgewater also included two reports from NEPOOL GIS showing the generation of 7,563 MWh by the Bridgewater facility during December 2020 (see waiver request Attachments C and D). Attachment D indicates that the facility's December generation output is not listed as eligible for any state RPS within the GIS system.

The waiver request further states that a counter party, NextEra Energy Marketing LLC (NextEra), will acquire the 7,563 MWh of generation attributes from the Class III-certified Bridgewater generation facility if the requested waiver is granted and those generation attributes are deemed eligible to be used toward the N.H. RPS Class III compliance obligation.

Staff believes the requested waiver would allow both Bridgewater and NextEra to continue to meet the intent of the statutes and rules regarding New Hampshire's RPS, while addressing a technical error which would otherwise result in the inability to utilize 7,563 MWh of generation attributes that meet the eligibility requirements for N.H. Class III RECs. Staff further believe that 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 Bridgewater's rule waiver request and allowance of the 7,563 MWh of generation attributes produced by the Class III-certified Bridgewater generation facility (N.H. certification DE 14-209, GIS Code MSS357) during December 2020, to be used by an obligated provider of electricity toward its 2020 N.H. Class III compliance obligation without the submission of a "My Settled Certificates Disposition" report showing RECs settled in the GIS system based on that production. Staff also recommends that NextEra or any other eventual buyer verify, at the time of its RPS compliance submission, that these generation attributes have been purchased from Bridgewater and have been used only to meet RPS obligations in New Hampshire, by certifying and providing documentation that the generation has not been accounted for with respect to 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 rule 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 III compliance of generation attributes that would otherwise go unused as a result of the inadvertent data entry error regarding related facility emissions.