

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: September 10, 2008

AT (OFFICE): NHPUC

FROM: *SEM*
Henry J. Bergeron *(u)*
Utility Analyst III

SUBJECT: DE 08-105, Iberdrola Renewables, Inc.'s Application for the Lempster Wind LLC project for Class I Eligibility Pursuant to RSA 362-F Staff Recommendation

TO: Chairman Thomas B. Getz
Commissioner Graham J. Morrison
Commissioner Clifton C. Below
Debra A. Howland, Executive Director and Secretary

CC: Thomas C. Frantz, Director of the Electric Division
Steven E. Mullen, Assistant Director of the Electric Division
Suzanne Amidon, Staff Attorney

Summary

On August 29, 2008, Iberdrola Renewables, Inc. (Iberdrola) submitted an application requesting the Commission grant approval of its Lempster Wind LLC (Lempster) project to produce Class I Renewable Energy Certificates (RECs) pursuant to RSA 362-F, New Hampshire's Renewable Portfolio Standard law. Class I eligibility requires a facility to have begun the production of electricity after January 1, 2006 and to use certain sources to produce electricity, one of which is wind energy.

Pursuant to RSA 362-F, the Commission, in a non-adjudicative process, must issue a determination of whether a facility meets a particular classification within 45 days of a completed application. The Lempster facility application was completed on August 29, 2008. The facility meets the Class I eligibility requirements under RSA 362-F:4, I(a) and complies with the N. H. Code Admin. Rule 2500. Iberdrola has provided all the necessary documents. Based on its review of the application, Staff recommends that the Commission certify the Lempster facility as a Class I renewable energy source.

Analysis

The Lempster Wind LLC facility is a 24 megawatt (MW) wind-powered electric generating project located at 106 Bean Mountain Rd., Lempster, NH 03605. It consists of twelve wind turbines, each with a gross nameplate capacity of 2 MW. It is expected to

commence commercial operations on or after September 1, 2008. The facility has self-certified its Qualifying Facility status as a small power production facility and has submitted an application for market-based rate authorization. The facility's ISO-New England asset identification number is 15115. Its NEPOOL generation information system facility code is pending.

Pursuant to the N.H. Code Admin. Rule Puc 2500.02 (b) (7), the application shall include "[A]ll other necessary regulatory approvals, including any reviews, approvals or permits required" by the New Hampshire Department of Environmental Services. Lempster stated that it "has been issued a Certificate of Site and Facility by the State of New Hampshire's Site Evaluation Committee....In order to receive this Certificate, facilities must submit to a comprehensive multi-stakeholder process that includes a variety of local municipalities and state agencies. Receipt of this Certificate should provide the PUC with adequate assurances that the Facility has received the necessary local and state approvals. At the Federal level, the project has self-certified with the Federal Energy Regulatory Commission (FERC) as an Exempt Wholesale Generator pursuant to the Public Utility Holding Company Act of 2005....The project has also received the necessary approvals from the Federal Aviation Administration (FAA.)"

Pursuant to the N.H. Code Admin. Rule Puc 2500.02 (b) (8), the application shall include "[P]roof that the applicant either has an approved interconnection study on file with the commission, is a party to a currently effective interconnection agreement, or is otherwise not required to undertake an interconnection study". Lempster stated that it has "an interconnection study on file with the commission. It was filed on May 29, 2008 by Public Service Company of New Hampshire...and can be found under Docket number DE 08-077."

Pursuant to the N.H. Code Admin. Rule Puc 2500.02 (b) (10), the application shall describe how the generation facility is connected to the distribution utility. Lempster stated that the project "interconnects with PSNH's distribution system and "consists of approximately 10.5 miles of dedicated 34.5 kV line built mostly along Route 10. This dedicated circuit will be built over existing distribution circuits from the Project site to PSNH's Newport Substation in Newport, New Hampshire. The line was under construction as of August 13, 2008 and is expected to be completed in September 2008. The line is being built by PSNH and is being paid for by Lempster Wind, LLC."

Pursuant to the N.H. Code Admin. Rule Puc 2500.02 (b) (11), the application shall include "[A] statement as to whether the facility has been certified under another non-federal jurisdiction's renewable portfolio standard and proof thereof." Lempster stated that [A]s of August 13, 2008, Lempster Wind LLC has not been certified under any state renewable portfolio standard. However, such applications will soon be filed with the relevant authorities in Connecticut, Massachusetts, Rhode Island, Maine and other states that have renewable portfolio standards for which the facility may qualify. The NH PUC will be notified upon issuance of such certifications."

Recommendation

Staff has reviewed the Lempster Wind LLC project application and believes it is complete pursuant to Puc 2502.02. Staff recommends that the Commission certify, effective August 29, 2008, Iberdrola Renewables, Inc.'s Lempster Wind project as a Class I renewable energy source pursuant to RSA 362-F.