

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: October 8, 2008

AT (OFFICE): NHPUC

FROM: *SEM*
Henry J. Bergeron 
Utility Analyst III

SUBJECT: DE 08-123, FPL Energy Maine Hydro LLC's Application of the North Gorham Project Hydroelectric Facility for Class IV 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 September 25, 2008, FPL Energy Maine Hydro LLC (FPL Energy) submitted an application requesting the Commission grant approval of its North Gorham Project (North Gorham) hydroelectric facility to produce Class IV Renewable Energy Certificates (RECs) pursuant to RSA 362-F, New Hampshire's Renewable Portfolio Standard law. Pursuant to RSA 362-F:4, IV, Class IV eligibility requires that a facility: 1) began operation prior to January 1, 2006; 2) has a gross nameplate capacity of 5 megawatts (MW) or less; 3) has installed upstream and downstream diadromous fish passages that have been required and approved under the terms of its Federal Energy Regulatory Commission (FERC) license or exemption; and 4) when required, has documented applicable state water quality certification pursuant to section 401 of the Clean Water Act.

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 North Gorham hydroelectric facility application was completed on September 25, 2008. The facility meets the Class IV eligibility requirements under RSA 362-F:4, IV and FPL Energy has complied with the N. H. Code Admin. Rule Puc 2500 and has provided all the necessary information. Based on its

review of the application, Staff recommends that the Commission approve the North Gorham hydroelectric facility as eligible for Class IV RECs.

Analysis

The North Gorham Project is located on the Presumpscot River in the Towns of Gorham, Standish, and Windham, Maine. The physical location of the single-unit hydroelectric generating station is Gorham and operates on a run-of-river basis. The facility has a gross nameplate capacity of 2.25 MW and was originally issued a FERC license on December 6, 1966 which expired on December 31, 1993. A thirty-year license was subsequently issued on November 22, 1993, effective January 1, 1994. Construction of the North Gorham Project was completed in 1901, and the turbines and generators were installed in 1925 and 1926. The facility began commercial operation in January, 1925. The facility's ISO-NE asset identification number is 760 and the NEPOOL GIS facility number is MSS760.

Pursuant to RSA 362-F:4, IV, the facility must have "installed upstream and downstream diadromous fish passages that have been required and approved under the terms of its [Federal Energy Regulatory Commission (FERC)] license or exemption". FPL Energy stated that an upstream passage is not currently required and that the downstream fish passage was installed in 1995.

RSA 362-F:4 IV requires a hydroelectric facility, as a condition of eligibility, to have "applicable state water quality certification pursuant to section 401 of the Clean Water Act." The State of Maine Department of Environmental Protection issued a "Water Quality Certification for the relicensing of the North Gorham Hydro Project" on September 28, 1992.

Pursuant to Puc 2505.02 (b) (8), the applicant must submit proof that it 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." FPL Energy submitted relevant portions of its "Continuing Site/Interconnection Agreement By and Between Central Maine Power Company and FPL Energy Maine, Inc." dated January 6, 1998.

Pursuant to Puc 2505.02 (b) (11), the applicant shall include a statement as to whether the facility has been certified under another non-federal jurisdiction's renewable portfolio standards and proof thereof. The North Gorham facility is certified in Connecticut as a Class II facility and participates in the Connecticut "Clean Energy Options" program. It is also certified as a renewable resource in Massachusetts, and as a Class II facility in Maine. It is shown as being certified in those states per the GIS.

Recommendation

Staff has reviewed FPL Energy's application for the North Gorham Project hydroelectric facility and can affirm it is complete pursuant to N. H. Code Admin. Rule Puc 2500. Staff recommends that the Commission certify the North Gorham Project

hydroelectric facility as being eligible for Class IV RECs, effective September 25, 2008, the date the completed application was received from FPL Energy.