

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

DE 08-139

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

Petition for Authority to Serve a Single Customer in Lempster

Order *Nisi* Approving Petition

O R D E R N O. 24,933

January 16, 2009

On October 29, 2008, Public Service Company of New Hampshire (PSNH) filed a petition pursuant to RSA 374:22 and 26 for permission to serve a single customer, Lempster Wind LLC (Lempster Wind), within the New Hampshire Electric Cooperative's (NHEC) franchise area in the Town of Lempster. Lempster Wind is a 24 megawatt wind-powered generation source. PSNH's petition states that, during start-up, Lempster Wind's turbines require power at a voltage that NHEC cannot provide without upgrades to its system. Further, PSNH will provide Lempster Wind with start-up power and NHEC will provide the customary electric service to the Lempster Wind site for its project office, area lighting, maintenance buildings, as well as any other load that can be served through NHEC existing facilities.

As described in the petition, Lempster Wind needs electric service at a higher auxiliary voltage than the service provided by NHEC to provide the electromagnetic induction to begin generating electricity from the wind turbines in two instances: 1) during the initial start-up of the first wind generator and 2) in the restarting of the wind turbines after they have been shut down due to excess wind or lack of wind. PSNH stated that, following these shut down periods, when the wind speeds return to acceptable levels for generating, the turbine blades will spin with the wind; however, a current of electricity at an appropriate voltage must be delivered to the

generator in order to induce a magnetic field to produce electrical energy. Because PSNH is interconnecting the wind project to receive the power generated by the project, PSNH can supply this auxiliary power directly at the required 34.5 kilovolt (kV) level. PSNH also stated that it will not have to install any additional facilities to supply service because the metering installed to record generation by Lempster Wind will also record any usage by Lempster Wind. PSNH noted that, if NHEC were to supply the requisite auxiliary power, NHEC would need to extend its current 12 kV circuit as well as upgrade the line to three-phase and step up the voltage at the site to 34.5 kV.

PSNH noted that the location of Lempster Wind's generators is not contiguous to the small franchise territory that PSNH currently serves within the Town of Lempster. If its petition is granted, PSNH suggested that there is no need to redraw the franchise boundary between PSNH and NHEC because only one portion of the service is provided to a single customer, Lempster Wind. PSNH attested that Lempster Wind and NHEC concur with its petition and, pursuant to RSA 374:26, when all parties are in agreement, the Commission may grant the permission requested without a hearing.

Staff filed its recommendation on January 12, 2009. Staff indicated that PSNH will provide service to Lempster Wind under General Delivery Service Rate G. PSNH explained that Rate G is appropriate based on its estimate that the station service will be below 100 kilowatts, on average, over a twelve month period. PSNH said it will review Lempster Wind's usage after twelve months of billing. If it turns out that Lempster Wind's usage consistently exceeds 100 kilowatts, PSNH stated that Lempster Wind would no longer qualify for Rate G but would instead qualify for service under Primary General Delivery Service Rate GV. PSNH explained

that customers who, except for their own generation, would otherwise be eligible to receive service under Rate GV (customers whose loads do not exceed 1,000 kilowatts) or Rate LG (customers whose loads are in excess of 1,000 kilowatts) must take service under PSNH's Backup Service Rate B. If Lempster Wind's load reaches the point where it would qualify to receive service under Rate GV, PSNH said it would provide electric service to Lempster Wind in accordance with the terms of Rate B. Staff concluded by saying it had reviewed the filing and concurred with PSNH that the Commission should approve the petition.

Pursuant to RSA 374:22 and RSA 374:26 and based on the information contained in the filing, Staff's recommendation, and the concurrence of Lempster Wind and NHEC with the petition, we approve the petition as in the public good on a *nisi* basis in order to provide any interested party the opportunity to submit comments or to request a hearing. We also agree with PSNH and Staff that PSNH's provision of limited service to a single customer (Lempster Wind) in NHEC's territory does not require the franchise boundary to be redrawn.

Based upon the foregoing, it is hereby

ORDERED *NISI*, that subject to the effective date below, Public Service Company of New Hampshire's petition to serve a single customer, Lempster Wind LLC, in the Town of Lempster in the franchise territory of the New Hampshire Electric Cooperative as described in its petition is hereby GRANTED; and it is

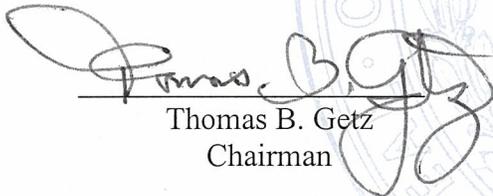
FURTHER ORDERED, that the Petitioner shall cause a copy of this Order *Nisi* to be published once in a statewide newspaper of general circulation or of circulation in those portions of the state where operations are conducted, such publication to be no later than January 26, 2009 and to be documented by affidavit filed with this office on or before February 16, 2009; and it is

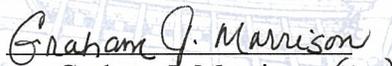
FURTHER ORDERED, that all persons interested in responding to this Order *Nisi* be notified that they may submit their comments or file a written request for a hearing which states the reason and basis for a hearing no later than February 2, 2009 for the Commission's consideration; and it is

FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than February 9, 2009; and it is

FURTHER ORDERED, that this Order *Nisi* shall be effective February 16, 2009, unless the Petitioner fails to satisfy the publication obligation set forth above or the Commission provides otherwise in a supplemental order issued prior to the effective date.

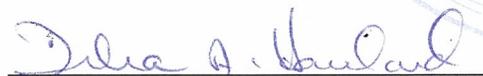
By order of the Public Utilities Commission of New Hampshire this sixteenth day of January, 2009.


Thomas B. Getz
Chairman


Graham J. Morrison (RMS)
Commissioner


Clifton C. Below
Commissioner

Attested by:


Debra A. Howland
Executive Director

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01/16/09 Order No. 24,933 issued and forwarded to all parties.
Copies given to PUC Staff.

Docket #: 08-139

Printed: January 16, 2009

FILING INSTRUCTIONS: PURSUANT TO N.H. ADMIN RULE PUC 203.02(a),

WITH THE EXCEPTION OF DISCOVERY, FILE 7 COPIES (INCLUDING COVER LETTER) TO:

DEBRA A HOWLAND
EXEC DIRECTOR & SECRETARY
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CONCORD NH 03301-2429