STATE OF NEW HAMPSHIRE

Intra-Department Communication

DATE: December 10, 2012 AT (OFFICE): NHPUC

FROM: Barbara Bernstein

Sustainable Energy Analyst

SUBJECT: DE 12-009 Townline Equipment Sales, Inc., Request for

Recognition of Class II Renewable Energy Certificates Intended

for Banking in Quarter One 2012 **Staff Recommends Approval**

TO: Chairman Amy L. Ignatius

Commissioner Robert R. Scott Commissioner Michael Harrington

Debra A. Howland, Executive Director and Secretary

CC: Jack K. Ruderman, Director of the Sustainable Energy Division

Suzanne Amidon, Staff Attorney

Analysis

On December 5, 2012, the Commission received a letter from Matthew Marrazzo, President, Townline Equipment Sales, Inc., (Townline) requesting that the Commission permit certain RECs generated from the Townline facility to be banked and made available for future trading periods.

Mr. Marrazzo's letter states that he was unaware of the GIS reporting process and therefore RECs were not banked prior to the end of the Quarter One (Q1) trading period; this caused the RECs to be retired towards the Residual Mix.¹ To resolve this discrepancy, the Commission has the authority to issue a secretarial letter stating that even though the NEPOOL GIS does not display Townline's Q1, (January 1 through March 31, 2012) RECs as NH RPS eligible, the NH PUC will still accept them for RPS compliance when the end user retires them at the end of the year.

The GIS Administrator submitted the following table that provides a summary of the RECs in question:

¹ Mr. Webb, the NEPOOL GIS Administrator, informed Mr. Marrazzo that the process was not automated, as Mr. Marrazzo assumed, and that the Commission has the authority to have the RECs in question reinstated.

Month of Generation	NH Certification #	Unit ID	Unit Name	Fuel Type	Certificate Numbers	Quantity	NH Class
2012/Jan	NH-II-12-001	NON33300	Townline	Solar Photovoltaic	343598 – 1 to 1	1	II
2012/Feb	NH-II-12-001	NON33300	Townline	Solar Photovoltaic	343597 – 1 to 4	4	II
2012/Mar	NH-II-12-001	NON33300	Townline	Solar Photovoltaic	343596 – 1 to 6	6	II

Staff Recommendation

Staff recommends that the Commission grant Mr. Marrazzo's request and issue a secretarial letter stating that even though the NEPOOL GIS does not display Townline's Q1, (January 1, 2012 through March 31, 2012) RECs as NH RPS eligible, the NH PUC will still accept them for RPS compliance when the end user retires them at the end of the year. Staff recommends the secretarial letter request the following:

- A notarized statement on official letterhead by the Authorized Representative of Townline, attesting that the GIS certificates listed in the statement have not otherwise been, nor will be, sold, retired, claimed, used, or represented as part of electrical energy output or sales, or used to satisfy obligations, in jurisdictions other than New Hampshire.
- That a notarized statement and a copy of the secretarial letter shall be provided to the Retail Electricity Supplier to which the certificates are transferred; and,
- That the Supplier shall submit a copy of the notarized statement and the secretarial letter to the Commission as part of its 2012 RPS Class II annual compliance filing.

In addition, staff recommends the Commission note that this decision regarding the 2012 Q1 certificates shall not be regarded as establishing a precedent, and the Commission may deny any similar Townline request for a waiver in the future.

Staff finds that Townline's error was inadvertent, and that correcting the mistake will not adversely affect the RPS program. Further, Staff finds that it is in the best interests of the RPS that the certificates at issue be honored for 2012 RPS Class II compliance.