## $\underline{Attachment\,A}$

April 3, 1981 letter

From the

Governor's Council on Energy



## STATE OF NEW HAMPSHIRE

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Governor's Council on Energy

April 3, 1981

Mr. Don D'Ambruoso c/o Ransmeier and Spellman 110 North Main Street Concord, New Hampshire

Dear Don:

I am writing in response to your recent letter containing proposed amendments to House Bill 402 and House Bill 95.

We are in the process of amending H.B. 402 per request of the House Science and Technology Committee to expand its scope to accommodate other forms of renewable energy as defined under PURPA. The legislation will, therefore, refer to "small scale power facilities" rather than being limited to hydroelectric facilities.

In regard to your suggested amendments, I will be unable to include them as presented. The use of the word "new" is unacceptable in that it could easily be construed to mean only new dams, powerhouses, turbines, etc.

The majority of the sites targeted for restoration are retired existing sites which will be redeveloped for power. I am willing to suggest amending the bill to protect existing operating utility sites. I would favor:

38:3-a Exemption for the Municipal Small Scale Power Facility. The development by a municipality of any small scale power facility, as defined in RSA 374-D:1, III shall not be subject to the provisions of this chapter, except in the case of existing operating utility hydroelectric facilities and in municipalities which have acquired or established a plant under this Chapter.

It is my position to encourage hydroelectric development and I do not wish to deny municipalities the opportunity to develop retired utility sites. An individual site, may be more attractive to a municipality than a utility for reasons of financing and available PURPA rate and, therefore, I would like to leave these sites available for municipal development,

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My objections to the word "new" are also obviously applicable to Chapter 374-D as mentioned on your letter.

In addition, I have no interest in incorporating H.B. 95 with H.B. 402 and therefore cannot add your amendments. My principal goal is to provide assistance to individual private and municipal developers of small power production.

I hope this letter will clarify GCOE's interest and intent relative to M.B. 402. A copy of the proposed amendments will be available to you upon completion and both Donnie Pope and myself are willing to further discuss any changes to accompdate your interests.

SinceTaly,

Paul A. Ambrosino

Special Assistant

PAA/pm