

QUESTIONS AND ANSWERS
RFP FOR RENEWABLE ENERGY PROJECTS
AUGUST 26, 2014

| | Question | Answer |
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| 4.A. | Who retains the RECS – the developer/owner or the State? Other? | The State does not retain Renewable Energy Certificates (RECs) generated from the renewable energy projects that are awarded grant funds, though it does require grantees to seek eligibility to qualify for New Hampshire RECs. The Commission places no restrictions on who may own the RECs. |
| 4.B. | When is the “Group Net Metering Tariff” expected to be issued by PSNH and approved by the PUC? | For information about PSNH’s tariff the applicant should contact the utility directly. |
| 4.C. | Is it acceptable for developers to submit projects under the Group net Metering Tariff for this RFP? | Yes, developers may submit group net metering project proposals in response to this RFP. |
| 4.D. | If it is acceptable by the PUC for project submissions under the “Group Net Metering legislation” for this RFP, is there a cap on the total # of virtual net metering “accounts” per each 1 MW (ac) project “host?” | There is no limit on the number of group members whose accounts may be linked to the group host. Note, however, that the host and group members must all be customers of the same electric distribution utility. Customers who buy electricity from competitive providers are not eligible for group net metering. |
| 4.E. | We understand that there is a cap per meter of 1 MW (ac), and we would like to know if there is a limitation on the number of accounts/meters per client under Group Net Metering. For example, if we have one client with 10 separate accounts, each with its own, separate utility meter, would it be permissible to submit 10, 1 MW projects on behalf of this particular customer? | As long as each project has a separate meter installed or approved by the electric distribution utility, there is no limit on the number of group net metering applications that may be submitted in response to this RFP. There is, however, no guarantee that state rebate funds will be available for each group net metering project. |
| 4.F. | Under all of the above, is it permissible under current legislation and finalization of the Group Net Metering regulation for a PPA | The New Hampshire legislature recently amended the state’s net metering law such that an customer-generator is eligible for net |

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| | <p>provider (power purchase provider) to be the system owner, operator and maintainer of the facility, or must the solar facility be owned by the “host” or property owner, and not the solar PPA provider?</p> | <p>metering where the customer-generator is “an electric utility customer who owns, operates, or purchases power from an electrical generating facility...powered by renewable energy...” Therefore, to be eligible for net metering, it is permissible for the developer to own, operate and maintain the renewable energy system.</p> |
| <p>5.A.</p> | <p>Would a hydro-electric project that produced electricity up until the 1950s, then shut down, and now would be re-powered and rated at about 600 kW, be eligible to produce RECs under either Class I or Class IV, thereby, assuming all other eligibility is met, make it eligible for funding under this solicitation?</p> | <p>A hydroelectric generation facility with a capacity of 600 kW that began operation prior to January 1, 2006 can qualify for Class IV if it has any state water quality certification required under the Clean Water Act Section 401, and it either:</p> <p>(1) has actually installed both upstream and downstream diadromous fish passages and such installations have been approved by FERC, if the facility is located outside New Hampshire, or</p> <p>(2) is in compliance with applicable FERC fish passage restoration requirements and is interconnected with an electric distribution system located in New Hampshire.</p> <p>The facility would qualify for Class I only if it meets one of the following criteria:</p> <p>(1) it is a Class IV source that has begun operation as a new facility by demonstrating that 80 percent of the resulting tax basis of its plant and equipment (but not its property and intangible assets) is derived from capital investment directly related to restoring generation or increasing capacity; or</p> <p>(2) it generates incremental new electric output over its 1986-2005 historical generation baseline, provided it can demonstrate “completion of capital investments attributable to the efficiency improvements, additions of capacity, or increased renewable energy output [but not operational changes] that are sufficient to,</p> |

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| | | were intended to, and can be demonstrated to increase annual renewable electricity output.” [Note: even though the historical generation baseline for a facility that had not operated since the 1950s would be zero, the facility would still only qualify for Class I for the portion of its new output that is due to capital investments resulting in capacity increases or efficiency improvements; the remainder of the facility’s production might qualify for Class IV.] |
| 5.B | Would a hydro-electric project that produced electricity up until the 1950s, then shut down, and now would be re-powered and rated at about 600 kW, be eligible for PUC RFP project funding to replace and upgrade facilities and equipment. | Such a hydroelectric project would be eligible for funding only if the project can reasonably be expected to produce RECs. |