

STATE OF NEW HAMPSHIRE

COMMISSIONER
Jared S. Chicoine

DEPUTY COMMISSIONER
Christopher J. Ellms, Jr.



TDD Access: Relay NH
1-800-735-2964

Tel. (603) 271-3670

Website:
www.energy.nh.gov

DEPARTMENT OF ENERGY
21 S. Fruit St., Suite 10
Concord, N.H. 03301-2429

April 16, 2024

Gary Phetteplace, PhD, PE
306 Hall Road
Barrington, NH 03825

Re: WVR 24-004, Keene State College Class I Thermal RECs— NEPOOL GIS code
NON105740

Granting Limited Waivers of Puc 2506.04(f)(3) and Puc 2506.05(d)

Dear Dr. Phetteplace:

On April 3, 2024, the Department of Energy (Department) received a letter on behalf of Keene State College (KSC) requesting that the Department approve an alternative method of measuring the thermal energy that the KSC biomass heating plant produced using renewable vegetable oil fuel. The request applied to thermal energy produced on November 16, 2023; from November 17, 2023 to November 20, 2023; and for related minor outages prior to and following the aforementioned outages. The letter states that Gary Phetteplace, PhD, PE, is making this request as the independent monitor for the facility, because a data logger had malfunctioned during those periods.

After reviewing the April 3rd Letter and relevant materials, Department Staff (Staff) submitted their recommendation on April 10, 2024. Staff stated in its recommendation that the facility uses an approved alternative metering methodology approved pursuant to New Hampshire Administrative Rules Puc 2506.06. The New Hampshire Public Utilities Commission (PUC) approved the KSC biomass facility as eligible to produce Class I Thermal Renewable Energy Certificates (TREC) using an alternative metering methodology on April 17, 2018, with two expansions on June 26, 2018, and February 25, 2019. According to Staff, the measurements from the system are transmitted to a data logger, from which the data is retrieved and used to calculate the number of TREC generated.

KCS proposes to reconstruct the missing data using fuel use records to determine the number of TREC. To prevent over counting, KCS proposed discounting the calculated TREC generation by the fuel conversion efficiency of the boilers. Lastly, in Dr. Phetteplace's opinion as a professional engineer, the letter states that this method is fully supportable.

Based on these calculations, KCS calculated the net increase in TREC's is 266.9 MWh from this adjustment, which represents 3.4% of the total TRECs to be reported for the 4th Quarter of CY 2023 for the facility.

Staff interpreted the April 3rd letter as a request for a waiver of the applicable metering and calculation requirements contained in Puc 2506.04(f)(3) and Puc 2506.05(d).

Puc 2506.04(f)(3) states as follows:

(f) Large thermal sources using a steam-based system shall measure the useful thermal energy produced using one of the following methods:

[...]

(3) Use of an alternative metering method approved pursuant to this section, provided that the accuracy of any such method is $\pm 5.0\%$ or better, and provided that a professional engineer licensed by the state of New Hampshire and in good standing confirms that the source implemented the alternative method and confirms that the alternative method achieves the stated accuracy of $\pm 5.0\%$ or better.

Puc 2506.05(d) states as follows:

Large thermal sources shall receive certificates based on the useful thermal energy calculated pursuant to Puc 2506.04(e) or (f), discounted by the sum of the percentage discount for meter accuracy pursuant to (e) below and the percentage discount for operating energy or parasitic load and thermal storage losses pursuant to (f) below.

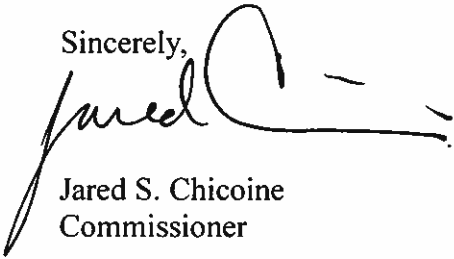
In its recommendation, Staff concluded that use of the proposed alternative metering and TREC calculation method for the specified limited time period was reasonable under the circumstances. According to Staff, a waiver of Puc 2506.04(f)(3) and Puc 2506.05(d) would serve the public interest by ensuring a reasonably accurate calculation of the useful thermal energy and number of Class I Thermal RECs produced during the relevant time period, consistent with the purpose of the rules. A waiver would also serve the public interest by increasing the availability of Class I Thermal RECs. Staff recommended that the Department grant a one-time limited waiver of Puc 2506.04(f)(3) and Puc 2506.05(d), pursuant to its authority under Puc 201.05.

On July 1, 2021, the Department came into existence and many functions previously performed by the New Hampshire Public Utilities Commission (NHPUC) were transferred to the Department. Under RSA 12-P:14, “[e]xisting rules, orders, and approvals of the [NHPUC] which are associated with any functions, powers, and duties, transferred to the [Department] pursuant to RSA 12-P:11 or any other statutory provision, shall continue in effect notwithstanding any provision of RSA 541-A:17, II to the contrary, and be enforced by the commissioner of the [Department] or the [NHPUC], as applicable, until they otherwise expire or are repealed or amended in accordance with applicable law, or for a period of 5 years, whichever occurs first.” See 2021 N.H. Laws Chapter 91 (House Bill 2-FN-A-Local); 2022 N.H. Laws Chapter 245 (House Bill 1258).

Under RSA 362-F, as amended effective July 1, 2021, the Department is now responsible for RPS compliance administration and REC certification, and for the adoption of related rules. The Department therefore is authorized to enforce the relevant provisions of the Puc 2500 rules, including Puc 2503.03(d) and Puc 2503.05(c)(2), and to grant waivers of any such rules under Puc 201.05. *See* RSA 12-P:14.

Pursuant to that statutory authority, and based on Staff's recommendation, I have found that the standards for a rule waiver set forth in Puc 201.05 have been satisfied. Accordingly, the Department grants the KSC biomass facility a waiver of the requirements of Puc 2506.04(f)(3) and Puc 2506.05(d), permitting KSC to implement the proposed alternative metering and TREC calculation method for the periods of November 16, 2023, from 10:14am to 12:02pm and November 17, 2023 at 4:00pm to November 20, 2023 at 8:02am and related minor outages prior to and following the major outages is reasonable.

Sincerely,

A handwritten signature in black ink, appearing to read "Jared S. Chicoine", with a long horizontal flourish extending to the right.

Jared S. Chicoine
Commissioner