



*Steam and Power Generation*

February 8, 2013

Elizabeth Nixon  
Sustainable Energy Division  
Public Utilities Commission  
21 S. Fruit St., Suite 10  
Concord, NH 03301

Re: Stakeholders Meeting 1/24/2013

Dear Ms. Nixon,

Thank you for the opportunity to provide comment regarding the proposed rule changes to the Puc 2500 Electric Renewable Portfolio Standard rules. Concord Steam has the following comments after reviewing the Initial Proposal Annotated Text provided prior the stakeholders meeting of 1/24/2013 and also as a result of comments noted during that meeting.

1. Discussion in the meeting revolved around whether or not any existing thermal load should qualify for the thermal REC's as passed in SB218. We want to reiterate our position that we believe that the intent of SB 218 was to include qualification any existing thermal load for the thermal REC's so long as that load was being served by a facility that would otherwise qualify for Class I electrical REC's per the language of proposed Puc 2502.06 (a) and began operation in accordance with the rules set forth by the proposed 2502.06 (b). While the language of the proposed 2502.06 (b) indicates that it is the operation of a "new facility" that qualifies it for the thermal REC's, it doesn't really clearly indicate that the "new facility" source can serve existing load. We appreciate that staff has understood that the legislation was to clearly include existing load served from newly constructed facilities and therefore we strongly believe it would be prudent to add clarification language in the rules to reinforce the clear intent of the legislation of SB218 to include such existing load.
2. We have thoughts in regards to the discussion that centered on metering and monitoring as proposed in 2506.03, 2506.04, 2506.05, 2506.06 and 2506.07. We offer the following suggestions:
  - a. Change the language proposed language of proposed 2506.07 (c) (6) to read: For verifying useful thermal energy, hot and/or chilled water and steam loads that are equal to or greater than 4,000 MW hours per year of thermal REC's shall install temperature and pressured compensated BTU meters that are at least  $\pm$  3% accurate as certified by the manufacturer, the initial installation shall be verified by a licensed professional engineer and those meters shall be retested for accuracy every 5 years by a certified independent testing facility. And,
  - b. For thermal hot and/or chilled water and steam loads that are less than 4,000 MW hours per year and any other qualified useful thermal energy may meet the verification process by means of 2506.07 (c) (1-5).

It is our position that there shouldn't be any allowance made for alternative testing or verification for facilities serving hot/chilled water and steam thermal loads of 4,000 MW hours per year or more as the cost of installing and maintaining meters that are capable of accurately measuring these larger loads will generally have an initial installation cost of less than 10% of the annual revenue stream generated by the REC's and a re-certification cost every five years that would be approximately 1% of the revenues generated (assuming a \$25 per REC revenue stream). Recertification can be accomplished by an certified independent testing facility such as CEESI ([www.ceesi.com](http://www.ceesi.com)) or other similar certified facilities.

Furthermore, metering thermal loads for hot or chilled water and steam is usually a complex process that requires a full understanding of thermal dynamics. Therefore we think the reference to using a plumber licensed by the State of NH in proposed 2506.07 (c) (6) should be removed. While some of the plumbers licensed by the State of NH could be considered qualified to verify metering we firmly believe that the vast majority of plumbers would not be qualified to accurately verify and certify metering of this type.

If there are any questions please call me.

Yours Truly,



Mark E. Saltsman  
Vice President