From:

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Sent: To:

Regreform, DOER (ENE)

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Subject:

Regulatory Reform

Winchendon Hydroelectric LLC is pleased to respond to the DOER Listening Session regarding Governor Baker's Executive Order 562 to offer feedback on the DOER regulations. Our comments are specific to the impact of the Massachusetts Renewable Portfolio Standards ("RPS") on the Massachusetts hydroelectric industry.

## Background:

The Winchendon Hydroelectric Project is a micro turbine installation with installed capacity of 100 kW (0.100 MW). The Project secured a grant from the Massachusetts Clean Energy Center ("MACEC") in 2012 (the "Grant") to make improvements that included removal of a pair of old crossflow turbines and installation of a new, more environmental friendly, Kaplan turbine.

The Project obtained its original FERC Exemption in 1985. Several Exemption Amendments have been granted since 1985 with the most recent being issued in 2013. The 2013 FERC Amendment was associated with the scope of work defined in the Grant application. The FERC Amendment required that all "relevant agencies" be contacted. Once the 2013 FERC Amendment was secured work began on the LIHI Application for the Project to become RPS qualified. The LIHI Application was completed with the filing of the Application in March of 2014. LIHI Certification has not been received to date.

## Regulation Comment:

In general, in order to receive grant monies from MACEC, and to participate in the Massachusetts Renewable Energy Certificate Program, this Project must be RPS qualified as a Class II project. The comments that follow are based upon our effort of almost 4 years to achieve the Project improvements, which includes obtaining RPS qualification.

For this Project it was required that "relevant agencies" be contacted multiple times, as follows:

- 1. For the MACEC Grant Application (2012)
- 2. For the FERC Amendment (2013)
- 3. For the original LIHI Application (2014)
- 4. For the Formal LIHI Application (2015)
- 5. For filing with the DOER RPS Statement of Qualification Application (hopefully 2015)

For comparison, in 2009, prior to adding RPS (and therefore LIHI) requirement to the MACEC Grants, an affiliated project was awarded a MTC (MACEC) Grant. The project received the FERC Amendment in 2009 and the project was completed in 2010 with a similar scope of work for

turbine replacement. This previous project has been a success in every aspect without the duplicity of agency notifications.

In conclusion, the Massachusetts hydroelectric industry is an important part of the renewable energy supply for the region. Massachusetts has been successful in promoting this resource.

However, there needs to be a concerted effort to reduce or eliminate impediments and to promote and encourage the investment in improvements for the environment, efficiency, and energy production from these valuable hydroelectric resources. Based upon the experience of this Project, the RPS requirement for LIHI Certification after a recent FERC Amendment is a duplication of relevant agency notices and reviews. There have been no additional comments provided by any of the relevant agencies following the second, third and fourth filings as described above. And no additional comments are expected from the agencies when the Project files the RPS Statement of Qualifications Application with the DOER at the beginning of December.

We fully support the Governor's Executive Order 562 to reduce unnecessary regulatory burden. Based upon our recent experience "pre (2009) and post (2012)" RPS requirements, we believe that unnecessary regulatory requirements only delay the implementation of new and/or improved renewable energy projects.

Thank you for this opportunity to submit these comments.

Stephen J. Fisk

General Manager O'Connell Energy Group on behalf of Winchendon Hydroelectric LLC

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