

***Filed via ePUC***

August 31, 2021

Mrs. Judith C. Whitney  
Clerk of the Commission  
Vermont Public Utility Commission  
112 State Street  
Montpelier, VT 05620-2701

**Re: Case No. 20-2935-INV Request for Comments on whether the Harriman Reservoir proposed project qualifies as a “new hydroelectric” system.**

Dear Commissioners,

MHG Solar (“MHG”) is writing in response to the Commissions Procedural Order dated August 8, 2021 wherein the Commission provided until September 10, 2021 for responses to the question of “whether a proceeding should be opened to review whether the proposed 1.7MW low-flow unit at the Harriman Reservoir is eligible to receive a standard-offer contract as a “new hydroelectric” system.

MHG submits that the eligibility of the Harriman Reservoir project (the “Proposed Project”) should be reviewed based on the facts provided by Great River Hydro, LLC (the “Applicant”) whereby Applicant describes a project that is located “at its Harriman Dam” using water from an existing reservoir and being built at the existing minimum flow valve or the spillway exit.<sup>1</sup> A review of whether these elements indicate the plant is a part of the same project and uses common equipment and infrastructure is appropriate as clearly, but for the existence and control of their Harriman Dam, the project as proposed could not exist.

### **Independent Technical Facility**

In review of Independent Technical Facility issues under 30 V.S.A § 8002(18), the Commission has looked at whether the plants in question are 1) part of the same project and 2) use common equipment and infrastructure and, in fact, this same basic question was asked in 2018 of a hydroelectric project proposed by North Hartland, LLC.<sup>2</sup> In the North Hartland case, there was a proposal to add a third generating unit to an existing dam. Ultimately the Commission determined the North Hartland proposal did not clearly demonstrate that their proposed project would be considered a separate plant as defined in 30 V.S.A § 8002(18).

The Proposed Project at Harriman submitted by Applicant fails the same analysis.

### **Part of the Same Project**

In consideration of whether two plants are part of the same project, the Commission has considered key factors such on common ownership and physical proximity, as they did in the North Hartland, LLC matter as well. In

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<sup>1</sup> Great River Hydro, LLC 2021 Vermont Standard Offer Application, Page 2 of Applicant Supplemental information

<sup>2</sup> See *Order Re: 2018 Standard-Offer Award Group entered 07/20/2018 in Case No. 17-3935-INV.*

this case, the Applicant does not dispute commonality of ownership and they clearly indicate numerous times in their application that the proposed project will be located “at their Harriman Dam”, which has an existing generating capacity of 41 MW<sup>3</sup>. The location of the Proposed Project demonstrates both common ownership with the current dam operator and physical proximity to that very same dam. As with the North Hartland, LLC proposal, commonality of ownership is not disputed and based on the facts presented by the Applicant, the Proposed Project is commonly owned and collocated at an existing dam of Applicant used for generating electricity. Thus, the Proposed Project is a part of the same project and the analysis must then decide whether they share common equipment and infrastructure.

### **Common Equipment and Infrastructure**

The second factor considered by the Commission is whether the two plants in question share common equipment and infrastructure. Here again, the Applicant indicates that the projects will, in fact, share common equipment and infrastructure. As described in the Applicant’s supplemental material to their 2021 Standard Offer RFP response, the project is described as being located at Applicant’s Harriman Dam using the existing reservoir, dam and spillway(s). It is proposed to be located at either the existing minimum flow valve or the end of the existing spillway.

As with the North Hartland, LLC proposal in 2018 that the Commission rejected, there is substantial overlap with the existing equipment and infrastructure between Applicant’s Proposed Project and their existing project. As with North Hartland, it appears that contiguity of time of construction and a new electrical interconnection are the only distinctive factors in the multi-factor test that the Applicant demonstrates, but in North Hartland the Commission noted that “common ownership, proximity of facilities and the use of common equipment and infrastructure” in that case “all favor the conclusion that [the proposed project] would be part of the same plant”.

### **Power Sales**

The 2021 Standard Offer RFP states that to be eligible for a standard offer contract plants must “not already be selling output to VEPP or Vermont distribution utilities.” According to press releases from GMP<sup>4</sup> on March 4, 2021 a power purchase agreement was signed with Great River Hydro for long term power supply. MHG does not know whether Great River Hydro’s Harriman generating station is included in this power supply agreement but if it is included, then this would be a further disqualifying factor as it would mean the proposed project is ineligible for a contract.

While MHG will readily admit that we have no expertise in the development, design or operation of hydroelectric plants, it does seem quite obvious that but for the existence of Applicant’s own existing dam and its associated infrastructure, the Proposed Project simply could not exist. Regardless of technology diversity goals, the single “plant” definition is statutory and must be applied as written which appears to make the Proposed Project ineligible for an award in the Standard Offer RFP.<sup>5</sup>

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<sup>3</sup> See Great River Hydro’s website: <https://www.greatriverhydro.com/facilities-location/harriman-hydropower-station/>

<sup>4</sup> See GMP press release from March 4, 2021: <https://greenmountainpower.com/gmp-announces-agreement-with-great-river-hydro-to-purchase-clean-cost-effective-local-and-reliable-power/>

<sup>5</sup> See Page 8 of Order Re: 2018 Standard-Offer Award Group entered 07/20/2018 in Case No. 17-3935-INV

## Conclusion

For the reasons above, MHG submits that the Proposed Project is a Single Plant based on the established analysis of the Commission for reviewing compliance with 30 V.S.A § 8002 (18) and should not be eligible for award as “new hydroelectric”.

Regards,

A handwritten signature in black ink, appearing to read "Pete Giese".

Pete Giese  
Manager  
**MHG Solar**