

September 25, 2012

MOOSE RIVER LUMBER CO., INC.
Request for Certification for RPS Eligibility

SUPPLEMENTAL ORDER

WELCH, Chairman; LITTELL and VANNOY, Commissioners

I. Summary

On April 10, 2012, we issued a Part I Order granting certification of the Moose River Lumber Co., Inc.'s (Moose River) Moose River Unit #1 Facility as a Maine Class I Renewable Resource. In that Order, we stated that pursuant to Chapter 110, section 1003 of the Commission's Rules, we would issue a Part II Order providing the complete findings of fact and basis for this decision will be issued in the near future. Upon further review, we find that a Part II Order is not necessary, but we supplement the Part I Order to include a requirement that Moose River comply with the Renewable Portfolio Standards applicable to Competitive Electricity Providers, unless Moose River can establish that it is a certified Pine Tree Development Zone Business.

II. Discussion and Decision

We supplement the Part I Order to include the standard requirement for behind-the-meter facilities that Moose River must retain GIS certificates or otherwise obtain GIS certificates necessary to satisfy Maine's Renewable Portfolio Standard (RPS) (both the original 30% and the "new" requirement) for that portion of its load that is served by the facility.¹ The rationale for certifying the Moose River facility as a Class I resource is that it is a newly installed renewable facility that serves Maine load. Therefore, the service of that load should comply with the RPS requirements as would occur if that load was served by a competitive electricity provider or if Moose River chose to sell its generation into the market and purchase all of its electricity needs (even though we recognize that in Moose River's case, a protective relay installed at the facility prevents export of Moose River's electrical generation to the grid). We will require that Moose River submit to the Commission an annual report by July 1st of each year that demonstrates compliance with this requirement.

This requirement is waived, however, if Moose River is able to demonstrate to the Commission that it has been certified as a qualified Pine Tree Development Zone Business pursuant to 30-A M.R.S.A. § 5250-O. Since sales of competitive electricity

¹ This REC requirement applies on an ongoing basis from and including the date that this Order is issued and is not retroactively applied.

providers to qualified Pine Tree Development Zone Businesses are exempt from the RPS compliance requirements of Title 35-A M.R.S.A. § 3210, then it follows that the RPS requirements should not be applied to behind-the-meter facilities that essentially “sell” electricity to themselves in cases where the facility (or the entity that the behind-the-meter facility serves) is a Pine Tree Development Zone business. See 35-A M.R.S.A. § 3210-E(5).

If Moose River seeks an exemption from the RPS compliance requirement referenced above, Moose River must file with the Commission proof of its certification as a Pine Tree Development Zone Business within thirty (30) days of the date of issuance of this Order. If Moose River is able to provide such proof of certification, the waiver of the RPS requirement will apply for so long as Moose River maintains its certification as a Pine Tree Development Zone Business. If Moose River’s certification ceases or is revoked for any reason, the Moose River shall notify the Commission in writing and it will be obligated to comply with the RPS requirement stated above.

Dated at Hallowell, Maine, this 25th day of September, 2012.

BY ORDER OF THE COMMISSION

/s/ Karen Geraghty
Karen Geraghty
Administrative Director

COMMISSIONERS VOTING FOR: Welch
Littell
Vannoy

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within **20** days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought. Any petition not granted within 20 days from the date of filing is denied.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within **21** days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Appellate Procedure.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.