Commonwealth of Massachusetts
Executive Office of Energy and Environmental Affairs
Department of Energy Resources

RENEWABLE ENERGY PORTFOLIO STANDARD (RPS), CLASS I & II

REQUEST FOR APPROVAL OF AN INDEPENDENT VERIFIER

FOR GENERATION UNITS WHOSE OUTPUT IS *NOT* MONITORED & REPORTED BY ISO NEW ENGLAND, INCLUDING ALL AGGREGATIONS AND OTHER BEHIND-THE-METER UNITS, per 225 CMR 14.05(1)(c) and 225 CMR 15.05(1)(c)

***The required information must be entered by the Owner or Operator of the Generation Unit (or the Authorized Agent of the Aggregation)* and is regarded as part of the Unit's Statement of Qualification Application.**

Use the spaces provided below to enter all required information about the Generation Unit or Aggregation and the proposed Independent Verifier. After item 2.a below, the remaining information for Section 2 may be provided and/or expanded in an attached document, as necessary or appropriate, with references to such attachment(s) noted in the corresponding items below. Each attachment must include (a) the Generation Unit's name and SQA ID#, (b) the Independent Verifier's name, and (c) must identify the corresponding item of this Request form.

The Independent Verifier must establish a "Third Party Meter Reader" account at the NEPOOL GIS (www.nepoolgis.com), for which a DOER notice of approval to the GIS is required, and must comply with the* GIS Operating Rules *(primarily Rule 2.5) as they apply to Third Party Meter Readers (defined in Rule 2.5(j)).

DOER expects the Generation Unit's Owner or Operator or the Aggregation's Authorized Agent to understand and assume responsibility for the provisions in Section 3 of this Request form.

1. Generation Unit (or Aggregation)

Name of Generation Unit: GMP Hydro – NEWBURY
Location (municipality & state): Newbury, VT
SQA ID#: 30011
NEPOOL GIS Asset ID *(if not yet known, enter **TBD**)*: NON178956
Contact Person's name: Melinda Humphrey
Email address & phone #: Melinda.humphrey@greenmountainpower.com **802.353.0914**

2. Independent Verifier (a.k.a., Independent Third Party Meter Reader)

a. Independent Verifier's identity and contact information.

Organization: VELCO
Contact Person's Name: Suzanne Payrits
Title: Power Accounting
Email Address: spayrits@velco.com
Phone #: 802.770.6259

b. Qualifications. *Include any information the Applicant believes will assist the DOER in determining that the Independent Verifier will accurately and efficiently carry out its core responsibilities, as enumerated in Section 3 of this Request. The DOER may require additional evidence of qualifications.*

VELCO is an existing independent verifier for a number of RPS units for us, and has performed responsibilities as outlined in section 3 dutifully.

Additionally, VELCO is the designated meter reader for the wholesale market system in VT, they report GMP's and all VT settlement load to ISO-NE, and is considered sufficiently independent for that task.

c. **Declaration of any and all business or financial relations between the Unit Owner or Operator or the Aggregation Authorized Agent and the Independent Verifier (SEE *footnote)*[1].** *The DOER will use this to evaluate the independence of the Independent Verifier.*

VELCO's common and preferred stock are owned by various Vermont utilities and the Vermont Low Income Trust for Electricity, Inc. Green Mountain Power Corporation owns 40% of VELCO's Class B common stock, 25% of its Class C common stock, and 80% of its Class C preferred stock.

VELCO has arrangements with various shareholders and other Vermont utilities at act as agent in order to provide a single entity that can accumulate costs related to the combined utilities' participation in certain joint projects. VELCO bills these costs, along with any direct costs incurred, to the participating Vermont utilities in accordance with each participant's obligation.

d. **A statement that (1) indicates** under what circumstances the Independent Verifier would not be considered sufficiently independent of an individual Generation Unit, **and**, *but only in the case of an Aggregation*, **(2) states** either that any Generation Unit not meeting this independence test would not be allowed to participate in the Aggregation or that a different Independent Verifier acceptable to the DPER would be engaged for such Unit.

GMP owns more than 10% of the voting stock of VELCO. GMP is not involved in the day to day operations of VELCO and the composition of the VELCO Board of Directors is not based on ownership percentage so GMP does not have control of the VELCO Board.

PLEASE NOTE that VELCO is the designated meter reader for the wholesale market system in VT, they report GMP's and all VT settlement load to ISO-NE, and are considered sufficiently independent for that task.

e. **Compensation Basis**. *Provide a description of how the Independent Verifier will be compensated for its services by the Generation Unit Owner/Operator/Aggregator. DOER approval of the Independent Verifier will be denied or withdrawn if the Independent Verifier is compensated in a manner linked to the number of NEPOOL GIS Certificates created by the Generation Unit or the Aggregation.*

NONE

f. **Frequency of Reporting.** *Provide a description of how frequently* (but not less than annually) *the Independent Verifier will directly enter into the NEPOOL GIS the quantity of energy produced in the applicable time period of the Generation Unit or Aggregation. The entry of generation data by the Independent Verifier must be through an interface designated for this purpose by the GIS and in*

[1] **Reasons for ruling that an Independent Verifier is not sufficiently independent include, but are not limited to:** i) If one entity owns, directly or indirectly, or if a natural person so owns, 10% or more of the voting stock or other equity interest in the other entity; ii) If 10% or more of the voting stock or other equity interests in both entities are owned, directly or indirectly, by the same entity or a natural person; or iii) If one entity is a natural person, and such entity or a member of such entity's immediate family is an officer, director, partner, employee or representative of the other entity.

accordance with GIS Operating Rules applicable to Independent Verifiers, and to which the GIS Generation Asset account holder shall not have access[2].

Annually (monthly or quarterly)

g. Methodology of Monitoring. *Provide a description of how the Independent Verifier will access and read the electrical energy output of the Generation Unit or Units. This must include the types of metering/monitoring equipment, communications medium, and software; however, detailed technical specifications are not requested here.*

Direct access to smart meter 15-minute interval data

3. Core Responsibilities of an Independent Verifier

DOER expects that the Independent Verifier will meet the following core responsibilities, and that the Generation Unit Owner or Operator or the Aggregation's Authorized Agent will enter an agreement with the Independent Verifier that will ensure that they are met.

a. Monitor directly (either electronically or on site) the output meter(s) of the Generation Unit on a regular basis (monthly or quarterly);

b. Determine that the readings for each monitoring/reporting period do not exceed the technical capabilities of a Generation Unit of its type, capacity, and location, and the normal operating parameters of the particular Unit, and obtain and use corrected readings if appropriate;

c. Inform the Generation Unit's Owner or Operator if and when the output of the Unit is higher or lower than the range expected for the Unit, so that appropriate remedial action can be taken;

d. Input the metered data into the Unit's NEPOOL GIS Asset ID accurately and on time, via the Verifier's own Third Party Meter Reader account at the GIS; and

e. Maintain well-organized, detailed records of all of the above, which are subject to DOER inspection.

The Owner or Operator of the Generation Unit or the Authorized Agent of the Aggregation may require additional duties, as they deem appropriate.

[2] **Such generation data shall not include any generation data from previous time periods, except as provided as follows.** Output of a Generation Unit that is less than one full MWh may be applied to a subsequent quarter in accordance with NEPOOL GIS Operating Rules. Output of less than one MWh by any single Generation Unit within an Aggregation may be applied to the entire Aggregation's generation (if all Units of the Aggregation share a single GIS Asset ID), and any output of the Aggregation less than one full MWh may be applied to the subsequent quarter within a calendar year or to a subsequent calendar year, in accordance with GIS Operating Rules. The GIS does not record or create certificates for amounts less than one full MWh.