

Carbon Zero LLC

P.O. Box 338 • North Bennington, Vermont 05257 • 802.379.2469

Re: FERC project #P-14308-VT
Vermont Tissue Mill Dam Hydroelectric Project
Carbon Zero, LLC

December 14, 2017

VIA ELECTRONIC FILING

Scott Albert, Principal/Region Manager
GDS Associates, Inc
1155 Elm Street, Suite 702
Manchester, NH 03101
phone 603.656.0336
scott.albert@gdsassociates.com

Re: Requested change of independent verifier for the Vermont Tissue Hydroelectric Facility (RI-4593-N16).

Mr. Albert,

Please find attached Carbon Zero, LLC's request to change the Appendix D.2. Independent Verifier for the Vermont Tissue Hydroelectric Facility (RI-4593-N16) located at 1514 North Bennington Road, Bennington, Vermont.

Thank you in advance and please let me know if you have any questions or require any further information.



William F. Scully
Carbon Zero, LLC
PO Box 338
North Bennington, VT 05257
December 14, 2017

APPENDIX D
(Revised 6/11/10)
(Required of Applicants Seeking Eligibility for Customer-Sited and/or Off-Grid Generation Facilities and Associated Aggregations)
STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION
RENEWABLE ENERGY RESOURCES ELIGIBILITY FORM
Pursuant to the Renewable Energy Act
Section 39-26-1 et. seq. of the General Laws of Rhode Island

With this submission, Carbon Zero, LLC herewith requests the Appendix D.2 for Project RI-4593-N16 be amended to read:

D.2 Please see below for the proposed procedures under which the aggregate Generation Units will operate:

- (a) Name and contact information of the Aggregator Owner, to which these regulations and stipulations of certification shall apply, and who shall be the initial owner of any NEPOOL GIS Certifications so certified;

Carbon Zero, LLC
Attn: William F. Scully, Manager
P.O. Box 338
North Bennington, Vermont 05257
wfscully@gmail.com

- (b) Name, contact information, and qualifications of the Verifier. Qualifications shall include any information the applicant believes will assist the Commission in determining that the Verifier will accurately and efficiently carry out its duties. After receipt of the application, the Commission may require additional evidence of qualifications;

~~Vale Law, PLLC~~
~~Attn: A. Quincy Vale, Manager~~
~~44 Whittier Street~~
~~Andover, MA 01810~~
~~T: (617) 694-5181~~
~~E: qvale@aqvlaw.com~~

Quincy Vale, of Vale Law pllc, is an approved independent verifier by the Massachusetts Department of Energy Resources, the New Hampshire Public Utilities Commission and the Connecticut Public Utilities Regulatory Authority. Quincy Vale has long experience with renewable energy generating systems, including photovoltaic, wind and hydropower systems. He has developed feasibility studies for projects, worked as a key component of project development teams, put together the legal and financing deals, monitors operations and helps to monetize the RECs. Quincy Vale's resume and project listing is available upon request.

The verifier of the facility output and resultant certificates will be Mr. William P. Short III, consultant. Mr. Short has the following qualifications:

- Undergraduate and graduate degrees in electrical engineering from Duke University and University of Pennsylvania, respectively;
- Participant in the drafting of and knowledgeable about the Rhode Island Renewable Energy Standard regulations, including its Third Party Meter Reader regulations;
- Participant in the drafting of and knowledgeable about all other New England states renewable portfolio standards, either at the legislative or regulatory levels;
- Participant in the drafting of and knowledgeable about the Operating Rules of the NEPOOL Generation Information System;
- Qualified Independent Verifier in Massachusetts, Independent Monitor in New Hampshire and Verifier in Connecticut. (There is no equivalent requirement in Maine);
- Third-Party Meter Reader of generation located in Massachusetts, Maine, New Hampshire and Rhode Island for wind, solar, biomass, hydro and combined heat and power facilities.

Mr. Short's contact information is:

William P. Short III

Consultant

44 West 62nd Street (street address)

New York, New York 10023-7008

P.O. Box 237173 (mailing address)

New York, New York 10023-7173

(917) 206-0001 Office

(201) 970-3707 Cellw.shortiii@verizon.net

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- (c) A declaration of any and all business or financial relations between Aggregator Owner and Verifier, which the Commission will use to evaluate the independence of the Verifier.²

~~The only business and financial relationship between the Facility Owner and the erifier is a lawyer-client relationship. A. Quincy Vale is an experienced energy lawyer and represents owners and operators of renewable energy generating facilities throughout the northeast. As the attorney for Carbon Zero, LLC, Mr. Vale is compensated hourly for his work. If and when Quincy Vale is affirmed as the independent verifier for the Vermont Tissue facility owned by Carbon Zero his only compensation be pursuant to his hourly retainer agreement. The compensation of Vale Law plle and Quincy Vale is in no way contingent upon the number of RECs created by the generation unit. Neither Vale Law plle nor Quincy Vale has any ownership stake in the generation unit nor in the entity that owns the generation unit.~~

Mr. Short has no direct or indirect ownership interest in Carbon Zero, LLC or any affiliate of this entity. Neither Mr. Short nor any immediate family member is an officer, director, partner, employee or representative of Carbon Zero, LLC. Mr. Short's business relationship with Carbon Zero, LLC is solely that of an independent consultant. Among his duties for Carbon Zero, LLC are the following:

Carbon Zero, LLC may request that Mr. Short assist Carbon Zero, LLC with the registration, creation and sale of the NEPOOL GIS certificates generated by its facility, located in Bennington, Vermont (the "Facility"). Specifically, on Carbon Zero, LLC's behalf, Mr. Short will register its Facility with the NEPOOL GIS. Mr. Short will also assist Carbon Zero, LLC in marketing its NEPOOL GIS certificates. Included in this work, Mr. Short will offer the NEPOOL GIS certificates directly to New England Distribution Companies in their periodic REC auctions, post for sale the NEPOOL GIS certificates on the NEPOOL GIS Bulletin Board; work with REC brokers on the sale of certificates to other New England Load Servicing Entities and assist in the documentation, including transfer of funds, from the sales of NEPOOL GIS certificates.

Carbon Zero, LLC may request that Mr. Short assist Carbon Zero, LLC with the registration of its Facility as either Vermont Class I or Class II renewable energy source, Massachusetts Class I or II renewable energy source, a Connecticut Class I renewable energy source, a Rhode Island New renewable energy resource, a New

² Reasons for ruling that a 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.

Hampshire Class I or IV renewable energy source and a Maine Class I or Class II renewable resource to the extent that its Facility is not presently certified as such sources.

Carbon Zero, LLC may request that Mr. Short be its Independent Verifier (as that term is defined by the Massachusetts Department of Energy Resources), Independent Monitor (as that term is defined by the New Hampshire Public Utilities Commission), Verifier (as that term is defined by the Connecticut Public Utility Regulatory Authority) and Third Party Meter Reader (as that term is defined by the Rhode Island Public Utility Commission) for the NEPOOL GIS certificates generated by its Facility.

- (c.1) The Aggregation Agreement shall include a statement indicating under what circumstances the Verifier would not be considered sufficiently independent of the individual Generation Unit, and that Generation Units not meeting this independence test would not be allowed to participate in the aggregation;

~~Vale Law pllc and Quincy Vale can think of no situation in which they would be deemed to not be sufficiently independent to continue to serve as the IV, but if such a situation should arise Vale Law pllc/Quincy Vale will report it to the Unit Owner and to RI PUC and resign the position in favor of another IV without such a conflict.~~

Since Mr. Short is paid a fixed fee for his services, there is no way, unless his consulting agreement is modified, that he cannot be qualified as a Third-Party Meter Reader. If Mr. Short's business relationship should change with Carbon Zero, LLC (for example, he was to become an officer, director, partner, employee or representative of Carbon Zero, LLC or he were to be paid based upon production by the facility), Carbon Zero, LLC will immediately inform the Commission of such modifications.

- (d) Type of technology that will be included in the aggregation, and statement that the aggregation will include only individual Generation Units that meet all the requirements of these regulations, for example physical location, vintage, etc. (All generators within the aggregation must be of the same technology and fuel type);

The only technology type included in this application is hydropower. If additional generating units are added, and this application becomes an aggregation, then all of the generating units within it will match this unit's technology and vintage.

- (e) Proposed operating procedures for the aggregation, by which the Aggregation Owner shall ensure that individual Generation Units in the aggregation comply with all eligibility

requirements and that the NEPOOL GIS Certificates created accurately represent generation;³

Generation production data will be based on readings from revenue meters owned and maintained by Green Mountain Power and derived from the monthly utility billing records rendered by Green Mountain Power (the interconnecting utility) and recipient of all exported power. Carbon Zero, LLC already has and maintains the necessary account with the NEPOOL GIS. ~~Vale Law pllc/Quincy Vale~~ Mr. Short will double check the data and compare the output to other hydropower systems he monitors for quality control before uploading data to the NEPOOL GIS. ~~Vale Law pllc/Quincy Vale~~ Mr. Short will also have the right and ability to stop by and tour the facility at any time to verify the output and the functioning of the metering and data collection system.

- (f) Description of how the Verifier will be compensated for its services by the aggregator. In no instances will an aggregation be certified in which the Verifier is compensated in a manner linked to the number of NEPOOL GIS Certificates created by the aggregation; and

Please see response to Item C above.

- (a) Confirmation and a description of how, no less frequently than quarterly, the Verifier will directly enter into the NEPOOL GIS the quantity of energy production in the applicable time period from each Generation Unit in the aggregation. The entry of generation data by the Verifier must be through an interface designated for this purpose by the NEPOOL GIS and in accordance with NEPOOL GIS Operating Rules applicable to Third-Party Meter Readers, and to which the Aggregation Owner shall not have access.⁴

Mr. Short will report the quantity of energy produced by the generation unit at least quarterly to the NEPOOL GIS. Such data will be derived from the monthly utility billing records rendered by Green Mountain Power (the interconnecting utility) and recipient of all exported power. ~~Vale Law pllc/Quincy Vale~~ Mr. Short already has and maintains the necessary account with the NEPOOL GIS. ~~Vale Law pllc/Quincy Vale~~ Mr. Short will double check the data and compare the output to other hydropower systems he monitors for quality control before uploading data to the NEPOOL GIS. ~~Vale Law pllc/Quincy Vale~~ Mr. Short will also have the

³ At a minimum, these procedures will: i) require a determination by the Aggregation Owner that the Generation Unit is in compliance with these Renewable Energy Standard regulations and the Aggregation Agreement as approved by the Commission, and an independent determination by the Verifier that the Generation Unit exists; ii) require a meter reading procedure that allows the Verifier to read meters on the Generation Units; meter readings may be manual or remote and via the aggregators own system or via an independent system, but in all cases shall comply with NEPOOL GIS Operating Rules regarding metering; iii) require confirmation that Verifier will be entering the quantity of energy production in to the NEPOOL GIS system as described in paragraph (g) for NEPOOL GIS to create NEPOOL GIS Certificates; and OL GIS Certificates; and ; iv) include a procedure for the Verifier to report to the Commission on the results of their verification process.

⁴ Such generation data shall not include any generation data from previous time periods, except as provided for in this section. Output of less than one MWh by any single Generation Unit within the aggregation may be applied to the entire aggregation's generation, and generation of the aggregation less than one full MWh may be applied to the subsequent quarter in accordance with NEPOOL GIS Operating Rules.

right and ability to stop by and tour the facility at any time to verify the output and the functioning of the metering and data collection system.

