

OPERATIONS

In its May, 1990 meeting, the committee focused on the plant operations segment of its responsibilities. The committee heard from members who represent energy facilities. The consensus was that although there are significant limitations on the operations of plants, most arise from factors outside of the direct jurisdiction of the New Hampshire siting process. It was felt that the State should take an advocacy role in support of the position adopted by the Site Evaluation Committee once that process had been completed. If the SEC issues a certificate it the State should be prepared to act before regulatory authorities in other States or in the federal government. A recommendation to this effect is incorporated.

The committee learned that all but one of the wood-fired small power production facilities in the State are operating under temporary permits which last for 18 months. Technically, during the course of the first 18 month permit, the permanent license should be issued. The temporary permit allows the plant to be tested to insure that it meets the design criteria.

The committee was informed that permit conditions are being changed subsequent to the construction of the plant. The plant is then asked to meet the new conditions under a new temporary permit. The committee felt that it is not appropriate for agencies to impose new conditions in this manner. The environmental circumstances of the State cannot have changed sufficiently within the 18 month time frame to justify new conditions. The committee strongly urges State and federal agencies to accept the original permit conditions as adequate for the issuance of a permanent operating license. The committee felt that the imposition of new conditions was incompatible with the nation's responsibility to insure the development of an orderly marketplace with sufficient energy resources to meet growing demands.

It was recognized that the inadvertent effects of tighter permit conditions and construction standards include higher costs to the consumer and continued utilization of older, dirtier, and less safe and efficient facilities when they might otherwise have been phased down or out. For instance, delay in putting waste-to-energy facilities on line can result in continued use of inadequate landfills.

The committee considered whether a policy should be developed to guide the siting of energy facilities or bulk power facilities which are designed to primarily serve customers outside of the

State. The discussion pointed out that industrial facilities which produce other products for export are usually encouraged to build within the State for their employment and tax base benefits. There appeared to be no reason why energy plants should not be considered similarly. The Public Utilities Commission felt that the present wording of the statutes gave adequate flexibility to evaluate such cases.