



News Release

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FOR IMMEDIATE RELEASE

Connecticut Approves PSNH Wood Project for Sale of Renewable Energy Certificates

Sale of RECs in CT and MA is Expected to Offset Cost of \$70 Million Project

Manchester, NH****The State of Connecticut has approved Public Service of New Hampshire's (PSNH) Northern Wood Power Project as a Class I renewable energy source. The designation means that the planned wood-burning power plant may sell "Renewable Energy Certificates" (RECs) in Connecticut, one of several states that require energy suppliers to include new renewable energy in their energy portfolios. The PSNH wood project had earned a similar approval last October from the State of Massachusetts. Both approvals are dependent on the project achieving its expected air emission standards.

"This is another significant endorsement of our wood-power initiative, and of the value the project will bring to our customers and to New Hampshire and the New England region," noted Gary Long, PSNH president and chief operating officer. "This will be a new source of clean, renewable energy. And, the sale of the Renewable Energy Certificates will help offset the cost of the project."

The \$70 million Northern Wood Power Project includes the proposed construction of a 50 megawatt wood-burning boiler at PSNH's Schiller Station in Portsmouth. Once complete, it will replace the use of an existing 50 megawatt coal-burning boiler. The new boiler, which is expected to annually consume up to 400,000 tons of whole tree chips and low grade wood materials, will result in a significant reduction of air emissions and will help PSNH meet the requirements of the state's Clean Power Act.

The energy produced by the Northern Wood Power Project will be utilized by PSNH's customers, as occurs today. The project, though, will also generate another product, Renewable Energy Certificates, which may be sold in Massachusetts and Connecticut. Retail energy suppliers in these states must acquire RECs to meet their state's renewable energy obligations.

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The New Hampshire Public Utilities Commission (NHPUC) is currently considering PSNH's request to proceed with the Northern Wood Power Project. If the NHPUC approves, the design phase of the project will commence. The project is also subject to municipal scrutiny by the City of Portsmouth.

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PSNH is New Hampshire's largest electric utility, serving more than 460,000 homes and businesses.