

STATE OF NEW HAMPSHIRE

Intra-Department Communication

DATE: September 3, 2014
AT (OFFICE): NHPUC

FROM: ^{EN} Elizabeth Nixon, Energy Analyst

SUBJECT: DM 11-066, People's Power & Gas, LLC
2013 RPS Annual Compliance Report and
Alternative Compliance Payment

TO: Debra A. Howland, Executive Director and Secretary

CC: Jack Ruderman, Director of the Sustainable Energy Division ^{AR}
David K. Wiesner, Staff Attorney
David Goyette, Utility Analyst

Summary

People's Power & Gas, LLC (PP&G) is a competitive electric power supplier (CEPS) that has failed to comply with its New Hampshire renewable portfolio standard (RPS) obligations for the 2013 compliance year. PP&G remains registered with the Commission although it ceased business operations in New Hampshire earlier this year and currently may be in bankruptcy. Staff recommends that the Commission commence an investigation to address PP&G's non-compliance with its 2013 RPS obligations and potential remedies and sanctions for such non-compliance, including the potential opening of an adjudicative proceeding to impose financial penalties on PP&G for non-compliance.

Analysis

Under RSA 362-F and Puc 2503, CEPS and other electricity providers are required to obtain and retire renewable energy certificates (RECs) or make an alternative compliance payment (ACP) to meet their annual RPS obligations. Pursuant to Puc 2503.03(a) and RSA 362-F:8, all electricity providers were required to file a Form E-2500 Annual Renewable Portfolio Standard Compliance Filing with respect to the 2013 compliance year on or before July 1, 2014. Under Puc 2503.03(c) and RSA 362-F:10, II, the full amount of any ACP due with respect to compliance year 2013 was required to be paid to the Commission at the same time as the filing of the Form E-2500 Annual RPS Compliance Report, on or before July 1, 2014.

To date, however, neither the required Annual RPS Compliance Report nor the required ACP has been received from PP&G. PP&G is a CEPS that remains registered with the Commission although it ceased business operations in New Hampshire earlier in 2014 and currently may be in bankruptcy proceedings. In a secretarial letter dated April

8, 2014, the Commission conditionally granted rules waivers to permit the early termination of PP&G's CEPS registration, directing PP&G to

(1) immediately cease marketing to and/or enrolling customers located within the State of New Hampshire, and (2) maintain compliance with Puc 2000, including maintaining the letter of credit for the benefit of the Commission that PPG submitted in connection with its application for registration until the later of (i) 150 days from the date of this letter (i.e., September 5, 2014), or (ii) the date that is 60 days after the final resolution of any and all complaints filed against PPG with the Commission and any and all investigations of PPG instituted by the Commission on or prior to September 5, 2014.

Pursuant to Puc 2005.01(b), the Commission may initiate an adjudicative proceeding to impose penalty sanctions of up to \$1,000 per day for each violation of an applicable state statute. PP&G has not complied with applicable provisions of RSA 362-F and Puc 2503. Staff recommends that the Commission commence an investigation to address PP&G's noncompliance with its RPS obligations, the filing of the Form E2500 Annual RPS Compliance Report, and the payment of any ACP due for compliance year 2013. This investigation should evaluate the potential opening of an adjudicative proceeding to impose financial sanctions on PP&G under Puc 2005.01(b).

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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FILING INSTRUCTIONS:

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with: DEBRA A HOWLAND
EXEC DIRECTOR
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429
- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.