

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: February 4, 2015

AT (OFFICE): NHPUC

NHPUC 4FEB15PM2:46

FROM: David Goyette, Utility Analyst III

SUBJECT: DM 15-037, Mega Energy of New Hampshire, LLC
Renewal of Registration as Competitive Electric Power Supplier

TO: Commissioners
Debra Howland, Executive Director

Executive Summary

Mega Energy has applied to renew its registration as a competitive electric power supplier. Mega Energy's current registration expires March 25, 2015. Mega Energy submitted a sample residential and small commercial customer contract, a certificate demonstrating it completed EDI testing with PSNH, an amendment extending, by one year, the term of its letter of credit in the amount of \$100,000, and a request for a waiver of the five-year and 90-day term requirement for financial security. If the Commission were to grant the waiver, Staff believes the filing is acceptable. Staff recommends the Commission grant the waiver and approve the application, for service only in the franchise area of PSNH, for a renewal registration period ending on the termination date of the letter of credit as amended.

Background and Analysis

On January 23, 2015, Mega Energy of New Hampshire, LLC (Mega Energy) filed an application to renew its registration as a competitive electric power supplier (CEPS). Mega Energy's currently active registration, which the Commission approved in Docket No. DM 14-001, expires on March 25, 2015. Mega Energy's application included a sample residential and small commercial customer contract, a certificate demonstrating that it has completed EDI testing with Public Service Company of New Hampshire (PSNH), and an amendment to its letter of credit that extends the term and expiration date by one year, to March 25, 2016. The original letter of credit is in the amount of \$100,000 and names the Commission as beneficiary. On February 4, 2015, Mega Energy filed a request for a waiver of Puc 2003.03(a)(5)(b), which requires the financial security filed with a CEPS renewal application have a term of five years and 90 days.

Staff has reviewed the information in the application, and, if the Commission were to grant approval of the waiver request, believes it meets the requirements of Puc 2003 and 2006.01. Staff recommends that the Commission grant the request for a waiver of Puc 2003.03(a)(5), and, because the amended letter of credit does not meet the five-year and 90-day requirement and because it expires on March 25, 2016, that the

Commission approve a renewal registration period with a term concurrent with the amended letter of credit, beginning on the expiration date of the previously active registration, March 26, 2015, and ending on March 25, 2016. Staff also recommends that, if the Commission grants the requested waiver, the Commission notify Mega Energy that the financial security rules are likely to change during 2015 and that Mega Energy should monitor the rulemaking process in Docket No. DRM 13-151 and plan accordingly with respect to future operations in New Hampshire.

Staff recommends that the Commission approve Mega Energy's application to renew its registration as a CEPS, authorized to operate only in the service area of PSNH. If Mega Energy seeks to operate in the service areas of other distribution utilities, it can do so by filing a request with the Commission to extend its service area, and by providing proof that it has completed EDI testing with each distribution utility in whose franchise area it requests authority to operate. Staff will then review the request and make a recommendation to the Commission.

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
EXECUTIVE 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.