



Ms. Karen Cramton, Sustainable Energy Division Director  
New Hampshire Public Utilities Commission  
21 S. Fruit Street, Suite 10  
Concord, NH 03301-2429

September 7, 2018

**Re: 2018 Renewable Portfolio Standard Review (RSA 362-F:5)**

Dear Ms. Cramton:

In accordance with your letter dated July 27, 2018, pertaining to the above referenced matter, Direct Energy Services, LLC and Direct Energy Business, LLC (collectively "Direct Energy"), as registered Competitive Electric Power Suppliers actively serving the competitive retail electricity market in New Hampshire, is pleased to provide the following brief written comments.

**BACKGROUND**

The State of New Hampshire's Renewable Portfolio Standard ("RPS") law requires the Public Utilities Commission ("Commission") to conduct a review of the RPS program beginning in January 2018 and to make a report of its findings to the General Court by November 1, 2018, pursuant to RSA 362-F:5. Moreover, the Commission has hosted several stakeholder sessions held on April 16<sup>th</sup>, May 10<sup>th</sup> and June 14<sup>th</sup> to obtain comments and recommendations from interested parties. Finally, in your letter dated July 27, 2018, you have requested additional stakeholder input.

## COMMENTS OF DIRECT ENERGY

Direct Energy, as Competitive Electric Power Supplier (“CEPS”), is an active and engaged participant in New Hampshire’s restructured, retail electricity market providing competitive and innovative electric generation pricing products and related energy services to residential, commercial and industrial customers. We are keenly aware of changing market forces as well as regulatory and legislative developments that may directly impact the customers we serve and seek to retain. Accordingly, as the Commission prepares its report and related findings to the New Hampshire General Court, we respectfully ask the Commission to consider the potential budgetary impacts to those existing customers under contract with a CEPS who are affected by legislative changes to the RPS. Most notably, increasing the class requirements relative to classes I and II beyond 2025; the possible introduction of any new classes such as an energy efficiency class or the consolidation of existing ones; and/or other potential RPS changes that may impose new and unanticipated costs on customers already under contract with a CEPS.

Many customers, especially large commercial & industrial customers, may be under a contract term of service with a CEPS for three to five years of duration. To protect these customers from an unanticipated and unwelcome cost increases, Direct Energy encourages the Commission to recommend to the General Court the need for a permanent exemption or “grandfathering” provision applicable to existing contracts for competitive electricity supply so that these “impacted” customers will not have to pay the increased costs from new or revisions to RPS law during the term of these pre-existing contracts.

Direct Energy believes the exemption provision is a fair and reasonable approach that will protect and provide customers who entered into a supply agreement to purchase power for a particular price and should not have to pay more for that power during the of term of the

agreement. In other words, customers under an existing contractual arrangement with a CEPS should be exempt from any potential cost increases resulting from new or revised RPS changes for the term of their agreement. To do otherwise, it would undermine the customer's confidence in the competitive retail market.

Direct Energy thinks effective legislative language designed to protect customers who may be impacted by unanticipated RPS changes and the resulting unwelcomed cost increases is necessary and required. Accordingly, should the General Court implement new RPS changes, Direct Energy respectfully recommends that existing customer contracts be exempted from a certain effective or prospective date and reflect language that supports this goal.

Direct Energy appreciates the opportunity to provide these brief written comments for your review and consideration. Thank you.

Sincerely,



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