

THE STATE OF NEW HAMPSHIRE



PUBLIC UTILITIES COMMISSION

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November 13, 2012

Chris Sattler
North American Power and Gas, LLC
1 Marshall Street, Suite 205
Norwalk, CT 06854

Re: DM 12-138, Application of North American Power and Gas, LLC for Registration as a Competitive Electric Power Supplier (CEPS)

Dear Mr Sattler:

On May 22, 2012, the New Hampshire Public Utilities Commission (Commission) received an application from North American Power and Gas, LLC (NAPower) for registration as a Competitive Electric Power Supplier (CEPS). On June 29, 2012, NAPower filed, among other things, a request for waiver of Puc 2003.03(a)(5) requiring each CEPS applicant provide evidence of financial surety that has an expiration date of 'not less than 5 years and 150 days' after the date the applicant's application is filed. Instead, the company proposed to submit a financial surety with an expiration date of one year after its application is filed. NAPower stated that it was unable to obtain financial surety for more than one year in duration from the bonding company and proposed to renew its financial surety annually. It also provided documentation of its membership in NEPOOL, a copy of a proposed form of contract for residential and small commercial customers, and paid the remaining registration fees.

On July 2, 2012, NAPower filed supplemental information. In its July 2 letter, NAPower stated that it was in the process of meeting the electric data transfer requirements (EDI Testing), pursuant to Puc 2003.01(d)(1). On August 6, 2012, NAPower submitted its financial surety with an expiration date of July 20, 2013 and its certification of EDI testing from Public Service of New Hampshire (PSNH).

On October 16, 2012, Staff filed a recommendation that NAPower be registered as a CEPS subject to certain conditions. With regard to NAPower's proposal to renew its financial surety annually, Staff recommends the Commission grant the waiver request subject to the following:

1. NAPower be required to file on or before June 20 every year a confirmation that the current bond has been renewed;

2. If the current bond is not renewed, NAPower must file proof of suitable replacement financial surety on or before June 20 every year;
3. If the Commission receives notification of cancellation of the bond, NAPower's registration will expire on the day the Commission receives such notification unless prior to that date NAPower provides replacement financial security which meets the requirements under Puc 2003.01(d)(4). In the case of such expiration, NAPower must suspend its New Hampshire operations and file a new registration application if it intends to continue to be registered as a CEPS in New Hampshire.
4. If NAPower does provide satisfactory replacement financial security, then its renewal period would continue until the earlier of the expiration date of the replacement financial surety or the remainder of the five-year registration period provided pursuant to Puc 2003.02.

Staff also noted that NAPower only submitted a statement from PSNH indicating that NAPower had complied with the training and testing requirements for electronic data interchange. Accordingly, Staff recommended that NAPower's registration be approved only for PSNH's service territory. Staff also stated that NAPower can request extension of its service to the service territories of those utilities by updating its application with documentation demonstrating successful completion of the testing. Upon receipt of such submittal, Staff will review the information and make a recommendation to the Commission. It was recommended that NAPower consolidate the submittal of such updates to result in a more efficient review process.

The Commission may waive a rule pursuant to Puc 201.05 if it finds the waiver serves the public interest and the waiver does not disrupt the orderly and efficient resolution of matters before the Commission. The Commission has determined that the applicable standards for a waiver are satisfied and that granting a waiver of Puc 2003.03(a)(5) subject to the conditions noted above, is consistent with the public good.


Based on Staff's recommendation and the Commission's review, the Commission will approve NAPower's application to be registered as a competitive electric power supplier in the franchise area of the electric distribution company with which NAPower has completed EDI testing; namely, PSNH.

Please bear in mind the following provision of Puc 2003.02 (a) "Each registered CEPS shall re-register with the commission every 5 years by filing with the commission an application for renewal. Each application for renewal shall be filed no less than 60 days prior to the termination of the currently effective registration. If a CEPS fails to meet its re-filing obligation, its registration shall expire by its terms." The Commission granted the waiver for this provision; therefore, NAPower is required to re-register as described in the conditions above or before August 16, 2017. You are also advised that CEPS and aggregators must comply with the renewable portfolio standard (RPS) requirements of RSA 362-F. The RPS obligation applies to every "provider of electricity" as defined in RSA 374-F:2, II which includes CEPS and aggregators. See RSA 362-F:2,XIV. Please also refer to N.H. Code Admin. Rules Puc 2500 for further details regarding compliance and reporting requirements. Compliance is on a calendar

year basis and must be reported to the Commission by July 1 of the subsequent calendar year. In addition, pursuant to RSA 378:49, all CEPS, electric service brokers and aggregators must comply with the requirement to disclose environmental characteristics of the electricity they sell to retail customers. Commission Order No. 25,264 provides guidance as to the appropriate format for such disclosure.

If you have any questions regarding this provision, please contact the Commission. Thank you for your cooperation in this matter.

Sincerely,



Debra A. Howland
Executive Director

cc: Docket File

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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Docket #: 12-138-1 Printed: November 13, 2012

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
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21 S. FRUIT ST, SUITE 10
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- 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.