

# STATE OF NEW HAMPSHIRE

## Inter-Department Communication

**DATE:** February 6, 2014

**AT (OFFICE):** NHPUC

*RF David*  
**FROM:** David Goyette, Utility Analyst III

NHPUC 7FEB'14PM4:05

**SUBJECT:** DM 13-246 Union Atlantic Electricity  
 Registration as Competitive Electric Power Supplier

**TO:** Commission  
 Debra Howland, Executive Director

On August 28, 2013, Union Atlantic Electricity (Union) filed an application to register as a competitive electric power supplier (CEPS). On January 2, 2014, Union provided additional information required for its application, including a surety bond in the amount of \$100,000.00 with the Commission listed as obligee and a 1 year term, which expires December 15, 2014. Because it has a 1 year term, the bond does not meet the requirements of Puc 2003.03(a)(5), which requires a bond with a term of 5 years and 150 days. Union requested a waiver of Puc 2003.03(a)(5) because many underwriters are unwillingly to write bonds for a term longer than 1 year. On February 6, 2014, Union filed copies of its contracts for residential and small commercial customers.

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 surety bond does not meet the 5-year and 150-day requirement and because it expires on December 15, 2014, that the Commission grant the registration with a term concurrent with the surety bond, beginning on the date of the Commission's approval letter and ending on December 15, 2014. Staff also recommends, if the Commission grants the requested waiver, that the Commission notify Union that the financial surety rules are likely to change by December 2014 and that Union should monitor the rulemaking process and plan accordingly.

Union filed documentation that demonstrates it has completed EDI testing with PSNH and New Hampshire Electric Cooperative (NHEC). Staff, therefore, recommends the Commission approve Union's application to register as a CEPS, and that it permit the company to operate only in the service areas of PSNH, and NHEC.

If Union 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 territory, and by providing proof that it has completed EDI testing with each distribution utility in whose service area it requests to operate. Staff will then review the request and make its recommendation to the Commission.