STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: December 22, 2015 **AT (OFFICE):** NHPUC

FROM: David Govette.

David Goyette, Utility Analyst III

NHPLIC 22DEC 15pm1:37

SUBJECT:

DM 15-373, Direct Energy Business, LLC

Application for Registration as Competitive Electric Power Supplier

TO: Commissioners

Debra Howland, Executive Director

Executive Summary

Direct Energy Business has applied to become a competitive electric power supplier. Direct Energy Business submitted a certificate demonstrating it completed EDI testing with NHEC and a surety bond in the amount of \$350,000. Direct Energy Business stated that it intends to serve commercial and industrial customers. Staff believes the filing is acceptable. Staff recommends the Commission approve the application and authorize Direct Energy Business to provide service in the franchise area of NHEC for a five year initial registration period.

Background and Analysis

On September 9, 2015, Direct Energy Business, LLC (Direct Energy Business) filed an application to register as a competitive electric power supplier (CEPS). Direct Energy Business's application included a surety bond in the amount of \$350,000, which became effective on August 31, 2015 and names the Commission as obligee.

On November 21, 2015, Direct Energy Business filed a rider that removes a 30-day cancellation provision from the bond. On December 18, 2015, Direct Energy Business filed an updated application that included documentation that demonstrates it has completed electronic data interchange (EDI) testing with New Hampshire Electric Cooperative, Inc. (NHEC), a rider that extends the term of the bond to July 31, 2021, and evidence that it is able to obtain supply in the New England energy market.

Staff has reviewed the information in the application and believes it meets the requirements of Puc 2003 and 2006.01. Staff recommends that the Commission approve the registration for a term of five years. Staff also recommends that the Commission notify Direct Energy Business that the financial security rules are likely to change during 2016 and that Direct Energy Business should monitor the rulemaking process in Docket No. DRM 13-151 and plan accordingly with respect to future operations in New Hampshire.

Direct Energy Business filed documentation that demonstrates it has completed EDI testing with NHEC. Staff, therefore, recommends that the Commission approve Direct Energy Business's application to register as a CEPS, and that it permit Direct Energy Business to serve commercial and industrial customers and operate only in the service area of NHEC. If Direct Energy Business 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.