

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: February 4, 2016
AT (OFFICE): NHPUC*David***FROM:** David Goyette, Utility Analyst III**SUBJECT:** DM 15-513, Direct Energy Services, LLC, d/b/a First Choice Power
Application for Registration as Competitive Electric Power Supplier**TO:** Commissioners
Debra Howland, Executive DirectorExecutive Summary

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

Background and Analysis

On December 17, 2015, Direct Energy Services, LLC (Direct Energy Services) filed an application to register as a competitive electric power supplier (CEPS). Prior to submitting its application, on August 18, 2015, Direct Energy Services filed a surety bond in the amount of \$350,000, which became effective on July 9, 2015 and names the Commission as obligee. Direct Energy Services' application included a rider that extends the term of the bond to July 31, 2021, a contract for residential and small commercial customers, and documentation that demonstrates it has completed electronic data interchange (EDI) training with Public Service Company of New Hampshire, d/b/a Eversource Energy (Eversource).

On December 30, 2015, Direct Energy Services filed evidence that it is able to obtain supply in the New England Energy market and documentation that demonstrates it has completed EDI connectivity testing with Eversource. On January 8 and 11, 2016, Direct Energy Services filed amendments indicating its intent to use the registered trade name "First Choice Power." On January 28, 2016, Direct Energy Services filed revisions to its form of contract for residential and small commercial customers.

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 Services that the financial security rules are likely to change during 2016 and that Direct Energy Services should monitor the rulemaking process in Docket No. DRM 13-151 and plan accordingly with respect to future operations in New Hampshire.

Direct Energy Services filed documentation that demonstrates it has completed EDI training and testing with Eversource. Staff, therefore, recommends that the Commission approve Direct Energy Services' application to register as a CEPS, and that it permit Direct Energy Services to serve residential and small commercial customers and operate only in the service area of Eversource, using the registered trade name "First Choice Power." If Direct Energy Services 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 training and 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
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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.