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February 6, 2017

N. Joel Moser, Esq.
Bernstein, Shur, Sawyer & Nelson, P.A.
100 Middle Street
P.O. Box 9729
Portland, ME 04104-5029

Re: DM 16-064, Global Montello Group Corp. Request for Waiver

of 30-Day Notice Requirement in Puc 3004.04 (1) and (m)

Dear Mr. Moser:

By letter dated January 31, 2017, Global Montello Group Corp. (Global) requested a waiver of the 30-day notice requirement contained in Puc 3004.04 (I) and (m). Puc 3004.03(I) requires the provision of notice prior to any proposed transfer or sale of the right to serve customer contracts while Puc 3004.04(m) defines the time period for such notice and other requirements of the notice. Under the cited rules, the required notice period is 30 days.

Global stated in its waiver request that, with one exception, all of its customer contracts are assignable without the consent of the customer (Assigned Contracts). Global represented that notice of the proposed sale and transfer and of its right to consent to the proposed assignment was provided to that single customer on January 12, 2017. The waiver request also noted that, under the Asset Purchase Agreement (APA) entered into between Global and Sprague Operating Resources LLC (Sprague), a registered competitive natural gas supplier, no customer account will be transferred to Sprague unless Global receives any required consent to do so. Rather, Global would continue to serve any such customer through the remainder of its contract term. Global asserted that the waiver of the 30-day notice period would not prejudice customers.

For the Assigned Contracts, Global stated that the contracts are assignable and contain no right to elect an alternate supplier or terminate the contract in the event of a sale. While advance notice of the sale would still be required under the rules, Global asserted that a waiver of the 30-day notice period prior to sale closing would not adversely affect customers and would serve the public interest. Global proposes to send an informational notice to its customers with Assigned Contracts that complies with the relevant provisions of Puc 3004.04(m), at least 30 days prior to transferring any natural gas supply customer contracts to Sprague. Global filed a proposed form of the notice letter with its waiver request.

On February 3, 2017, Commission Staff filed a memorandum summarizing its review and analysis of the Global rules waiver request. Staff agreed with Global that a waiver of the 30-day notice period prior to sale closing would not adversely affect customers and would serve the public interest. Staff noted that advance notice was provided to the single customer without an assignable contract, although the notice period was shorter than that required under the rule. Staff stated its belief that, because the APA provides that one customer with the opportunity to remain with Global rather than transferring to Sprague if it does not consent to the assignment, a waiver of the 30-day notice provision in Puc 3004.04(m) would not adversely impact the customer and so would also serve the public interest. Staff recommended that the Commission grant the rules waiver requested by Global Montello Group Corp.

The Commission has reviewed Global's rules waiver request and Staff's memorandum and has determined that, the requested waiver of Puc 3004.04 (I) and (m) would serve the public interest and would not disrupt the orderly and efficient resolution of matters before the Commission, as required under Puc 201.05. In determining the public interest would be served by such rules waiver, the Commission found that compliance with the rules would be onerous given the circumstances of the affected person and that the purpose of the rules would be satisfied by the alternative method proposed.

Accordingly, Global is granted a waiver from the relevant provisions of Puc 3004.04 (l) and (m), as requested in its letter dated January 31, 2017, in connection with the sale of customer contracts to Sprague pursuant to the APA.

Sincerely,

Debra A. Howland Executive Director

July B. Vanland

cc:

Service List Docket File