

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: February 4, 2016**AT (OFFICE):** NHPUC

David
FROM: David Goyette, Utility Analyst III

SUBJECT: DM 16-187, Mega Energy of New Hampshire
Renewal of Registration as Competitive Electric Power Supplier

TO: Commissioners
Debra Howland, Executive Director

Executive Summary

Mega Energy has applied to renew its registration as a competitive electric power supplier. Mega Energy's current registration expires on March 25, 2016. Mega Energy submitted a certificate demonstrating it completed EDI testing with Eversource Energy, a sample residential and small commercial customer contract, a letter of credit in the amount of \$350,000, and a request for a waiver of the five-year and 90-day term requirement for financial security. If the Commission were to grant the requested rule waiver, Staff believes the filing is acceptable. Staff recommends the Commission grant the waiver and approve the application for a renewal registration period ending on the termination date of the surety bond.

Background and Analysis

On January 27, 2016, Mega Energy of New Hampshire (Mega Energy) filed an application to renew its registration as a competitive electric power supplier (CEPS). Mega Energy's currently active registration, which the Commission approved in Docket No. DM 15-037, expires on March 25, 2016. Mega Energy's application included a residential and small commercial customer contract, documentation that demonstrates it has completed electronic data interchange (EDI) testing with Public Service Company of New Hampshire, d/b/a Eversource Energy (Eversource), a copy of its currently effective letter of credit (LOC) that names the Commission as beneficiary, and an LOC amendment that increases the amount of the LOC to \$350,000. Also on January 27, 2016, under a separate filing, Mega Energy filed an LOC amendment that extends the expiration date of the LOC to March 25, 2017.

On February 2, 2016, Mega Energy filed a revised residential and small commercial customer contract and a request for a waiver of Puc 2003.03(a)(5), which requires the financial security filed with a CEPS renewal application have a term of five years and 90 days.

Staff has reviewed the information in the application, and, if the Commission were to grant approval of the waiver request of the financial security term requirement, 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 LOC does not meet the five-year and 90-day requirement and because it expires on March 25, 2017, that the Commission approve a renewal registration period with a term concurrent with the LOC, beginning on the expiration date of the currently active registration, March 25, 2016, and ending at the close of business on March 24, 2017. Staff also recommends that, if the Commission grants the requested waiver, the Commission notify Mega Energy that the financial security rules are likely to change during 2016 and that Mega Energy should monitor the rulemaking process in Docket No. DRM 13-151 and plan accordingly with respect to future operations in New Hampshire.

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

Executive.Director@puc.nh.gov
amanda.noonan@puc.nh.gov
david.goyette@puc.nh.gov
leszek.stachow@puc.nh.gov
margaret.raymond@puc.nh.gov
mmorgan@megaenergyllc.com
tom.frantz@puc.nh.gov

Docket #: 16-187-1 Printed: February 04, 2016

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.