THE STATE OF NEW HAMPSHIRE

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June 16, 2016

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TDD Access: Relay NH

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Carrie Cammarano, Counsel FairPoint Energy, LLC 1055 Washington Blvd., 7th Floor Stamford, CT 06901

Re: DM 16-615, FairPoint Energy, LLC

Application to Renew Registration as Competitive Electric Power Supplier

Dear Ms. Cammarano:

On May 27, 2016, FairPoint Energy, LLC (FairPoint Energy) filed an application to renew its registration as a competitive electric power supplier (CEPS). In connection with its application, FairPoint Energy requested a waiver of Puc 2003.03(a)(5), which requires the financial security filed with a renewal application have a term of five years and 90 days.

Commission Staff filed a memorandum on June 14, 2016 that summarizes the filings made by FairPoint Energy in connection with its application and Staff's analysis of the completed application and rule waiver request. Staff noted that, if a waiver of the financial security term requirement is granted, the application complies with the requirements of Puc 2003 and 2006.01. Staff recommended that the Commission grant the request for the waiver of the financial security term requirement and approve the registration for a term concurrent with the surety bond, beginning on the expiration date of the currently active registration, July 26, 2016, and ending at the close of business on July 25, 2017. In addition, Staff recommended that the Commission authorize FairPoint Energy to operate in the franchise areas of Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) and Unitil Energy Systems, Inc. (UES). Finally, Staff recommended that FairPoint Energy be informed that the financial security rules are likely to change during 2016 and that it should monitor the rulemaking process in Docket No. DRM 13-151 and plan accordingly.

The Commission has reviewed FairPoint Energy's application and Staff's recommendation, and has granted the requested rule waiver, having found the waiver is for good cause and in the public interest, and has approved the application as recommended. Accordingly, FairPoint Energy's application to renew its registration as a

CEPS, authorized to operate in the franchise areas of Eversource and UES, is granted for a term beginning on July 26, 2016 and ending on July 25, 2017. Pursuant to N.H. Code Admin. Rules Puc 2003.02(a), FairPoint Energy must submit its next renewal application at least 60 days prior to the expiration of the approved registration period, on or before May 26, 2017.

Please be aware that registered CEPS are subject to specific requirements contained in Puc 2000 – Competitive Electric Power Supplier and Aggregator Rules. These rules are available at: http://www.puc.nh.gov/Regulatory/Rules/PUC2000.pdf.

Each CEPS also must input into a shopping comparison website, maintained by the Commission, information regarding its standard pricing policies, charges, and key terms for residential and small commercial customers. This information must be updated whenever it changes, but no less frequently than once per month. These requirements are intended to comply with RSA 374-F:4-b, II. Following its initial registration, each CEPS will be sent by electronic mail a link to the website through which it must input the required information.

In addition, CEPS must comply with the renewable portfolio standard (RPS) requirements of RSA 362-F. The RPS obligation applies to every "provider of electricity," as defined in RSA 362-F:2, XIV, which includes registered CEPS. Please also refer to the Puc 2500 rules for further details regarding RPS compliance and reporting requirements. RPS compliance is on a calendar year basis and must be reported to the Commission by July 1 of the subsequent calendar year. Pursuant to RSA 378:49, all CEPS also must comply with the requirement to disclose environmental characteristics of the electricity they sell to retail customers. Commission Order No. 25,264, in Docket No. DE 10-226, provides guidance as to the appropriate format for such disclosure. Order No. 25,264 can be viewed at: http://puc.nh.gov/Regulatory/Orders/2011orders/25264e.pdf.

Finally, as noted above, the financial security rules set forth in Puc 2003.05(a)(5) are likely to change. Please monitor the Commission's website for notice of this rulemaking process in Docket No. DRM 13-151 and plan accordingly.

Sincerely,

Debra A. Howland Executive Director

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cc: Service List Docket File

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

EXEC DIRECTOR

NHPUC

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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.