

STATE OF NEW HAMPSHIRE
BEFORE THE
NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DE 11-184

Public Service Company of New Hampshire, Bridgewater Power Company, L.P., Pinetree Power, Inc., Pinetree Power-Tamworth, Inc., Springfield Power LLC, DG Whitefield, LLC d/b/a Whitefield Power & Light Company, and Indeck-Alexandria, LLC et al.

JOINT PETITION FOR INTERVENTION

NOW COME Freedom Logistics, LLC d/b/a Freedom Energy Logistics (“FEL”), Halifax-American Energy Company, LLC (“HAEC”) and PNE Energy Supply LLC (“PNE”) hereby jointly petition the New Hampshire Public Utilities Commission for intervention in the above-captioned proceeding pursuant to RSA 541-A:32 and NH Code Admin. Rule Puc 203.17. In support of its Petition for Intervention, Petitioners say the following:

1. On August 23, 2011, Public Service Company of New Hampshire (PSNH), Bridgewater Power Company, L.P., Pinetree Power, Inc., Pinetree Power-Tamworth, Inc., Springfield Power LLC, DG Whitefield, LLC d/b/a Whitefield Power & Light Company, and Indeck-Alexandria, LLC (collectively, independent wood-fired power producers, or Wood IPPs), the New Hampshire Department of Resources and Economic Development (DRED) and certain Staff of the Commission (the Advocate Staff) filed with the Commission a petition for approval of (i) five power purchase agreements (Wood PPAs) between PSNH and the Wood IPPs excluding Whitefield Power & Light Company, pursuant to RSA 374:57 and the Public Utilities Regulatory Policies Act, 16 U.S.C. 824a-3, (ii) a settlement, release and support agreement (settlement agreement) between PSNH, the Wood IPPs and Berlin Station, LLC, Laidlaw Berlin BioPower, LLC (Laidlaw) and Cate Street Capital, Inc., and (iii) a proposal for the ratemaking treatment relating to the costs of the Wood PPAs.

2. Under the proposed ratemaking treatment, the costs of the Wood PPAs would be recovered as part of PSNH’s energy (default) service rate payable by its energy service customers. However, in order to avoid an increase in the energy service rate, PSNH would transfer a liquidated sum of \$8.5 million of costs associated with certain uncollectible and administrative expenses from its energy service rate to its distribution rate, thereby necessitating an increase to the distribution rate payable by PSNH’s distribution customers, with such increase

included as one of the requested approvals. To the extent the above-market costs exceed \$8.5 million, the Commission is requested to defer the excess, plus accrued interest, for future recovery in the energy service rate.

3. Petitions for Intervention, pursuant to RSA 541-A:32 and Rule Puc 203.17, must set for the facts demonstrating that the petitioner's right's, duties, privileges, immunities, or other substantial interests may be affected by the proceeding, and that the interest of justice and the prompt and orderly conduct of the proceedings would not be impaired by allowing the intervention. Alternatively, the Commission may grant intervention in the interest of justice so long as the intervention would not impair the orderly and prompt conduct of the proceedings." RSA 541-A:32, II.

4. FEL is a licensed aggregator in five New England states specializing in providing high-end management services to end-users that are Market Participant End-Users (MPEU). An MPEU is a member of NEPOOL and ISO-NE that purchases electricity directly from the ISO-NE hourly wholesale market.¹ Freedom Logistics pioneered the adoption of dynamic pricing in New England. There are currently numerous MPEU's located in New Hampshire that are clients of FEL, including St. Anselm College and the Union Leader.

5. HAEC, is an affiliate of Freedom Logistics. HAEC is the New England agent for South Jersey Energy Company, a subsidiary of South Jersey Industries. South Jersey Energy Company is a registered competitive electric power supplier in New Hampshire. Among HAEC's retail customers in New Hampshire include University of Southern New Hampshire and Stonyfield Farms.

6. PNE is also an affiliate of Freedom Logistics. PNE's application for a CEPS application is pending at the Commission. PNE intends to begin serving PSNH's residential customers no later than December 31, 2011.

7. FEL, HAEC, and PNE support the approval of the Wood PPA's by the Commission. However, FEL, HAEC, and PNE question the transfer by PSNH of costs from its energy service rate to its distribution rate. Such a transfer is inconsistent with the Commission's recent ruling on this matter:

¹ Freedom Logistics pioneered the passage of the 99th Amendment to the NEPOOL Agreement that became effective on March 1, 2004. This Amendment permits a Market Participant End-User (MPEU) to participate directly in the hourly NEPOOL Market.

There is no dispute that as a result of customer migration, PSNH's fixed costs associated with generation are recovered over a shrinking customer base, i.e., those customers who have not migrated to competitive supply. ... This is compounded by the disparate state of competitive alternatives which are readily available to industrial and large commercial customers while few alternatives are available to residential and small commercial customers. The cure, however, is not to impose a non-bypassable charge on those customers who have migrated from PSNH's default ES supply to pay a portion of PSNH's fixed generation costs. Such a charge, in our view, would constitute unfair cost-shifting to customers that have taken advantage of competitive supply.

Order No. 25,256 (July 26, 2011) at 39.

8. For the foregoing reasons, FEL, HAEC, and PNE have substantial interests that will be affected by the Commission's deliberations in this proceeding. The prompt and orderly conduct of the proceedings would not be impaired by allowing the intervention. FEL, HAEC, and PNE do not intend to file testimony in this proceeding.

WHEREFORE, FEL, HAEC and PNE hereby respectfully request the Commission to grant it intervener party status and to order such other and further relief as may be just and equitable.

Respectfully submitted,

FREEDOM LOGISTICS, LLC
HALIFAX-AMERICAN ENERGY COMPANY, LLC
PNE ENERGY SUPPLY, LLC
By their Attorney,

/s/ James T. Rodier

1500A Lafayette Road, No. 112
Portsmouth, NH 03801-5918
603-559-9987

Dated: September 6, 2010

Certification of Service

Pursuant to Rules Puc 203.02(2) and Puc 203.11, I have served copy of this petition on each person identified on the commission's service list for this docket.

/s/ James T. Rodier