

STATE OF NEW HAMPSHIRE
Before the
PUBLIC UTILITIES COMMISSION

Docket No. IR 13-244

Investigation into Payment Hierarchy between Competitive Energy
Suppliers and Electric Distribution Utilities

**Stipulation and Settlement Agreement Regarding Allocation of Customer Payment
between Competitive Suppliers and Electric Distribution Utilities**

This Stipulation and Settlement ("Settlement Agreement") is entered into this __ day of March, 2014, by and among Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities ("Liberty"), New Hampshire Electric Cooperative ("NHEC"), Public Service Company of New Hampshire ("PSNH"), Unitil Energy Systems, Inc. ("Unitil"), Electricity N.H., LLC d/b/a E.N.H. Power ("ENH"), North American Power and Gas, LLC ("NAPG"), PNE Energy Supply, LLC ("PNE"), Retail Energy Supply Association ("RESA"), and the Staff of the New Hampshire Public Utilities Commission ("Staff") (collectively the "Settling Parties"). This Settlement Agreement is intended to resolve all outstanding issues in the above-captioned docket.

I. INTRODUCTION

On August 20, 2013, the Commission issued an Order of Notice to investigate whether the current payment hierarchies used by PSNH, Unitil, Liberty and NHEC (collectively the Utilities) were consistent with the restructuring principles of RSA 374-F:3, whether changes in the current payment hierarchies were warranted and the effects, if any, of such changes on the Utilities. The Commission also indicated that it wished to review related customer communication issues. NAPG, ENH, PNE and RESA (Intervening Suppliers) intervened in the proceeding, and the OCA filed a letter notifying the Commission of its participation in this proceeding pursuant to RSA 363:28.

A prehearing conference was held on September 20, 2013. The parties met in a technical session following the prehearing conference, and Staff proposed a procedural schedule by letter dated September 24, 2013. In that letter, Staff informed the Commission that the parties agreed to attempt to settle the issues in the docket.

On October 11, 2013, ENH on behalf of the Intervening Suppliers provided testimony and related exhibits which represented the Intervening Suppliers' proposal for a revised payment hierarchy in the event of a partial customer payment. The parties met in technical session and reached an agreement in principle regarding both the payment hierarchy and customer communication issues. On November 18, 2013, Staff filed a letter with the Commission requesting suspension of the procedural schedule to allow time to memorialize the agreement,