THE STATE OF NEW HAMPSHIRE

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PUBLIC UTILITIES COMMISSION

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June 13, 2014

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MHPUC 13JUN 14PV5-65 9:08am

Jeremy Reed, Regulatory Analyst Clearview Electric, Inc. 1201 Elm St., Suite 3200 Dallas, TX 75270-2124

Re: DM 14-164, Clearview Electric, Inc. d/b/a Clearview Energy Competitive Electric Power Supplier Application Deficiency Letter – Request for Additional Information

Dear Mr. Reed:

On June 12, 2014, Clearview Electric, Inc. d/b/a Clearview Energy (Clearview) submitted an application to the Commission for registration as a competitive electric power supplier (CEPS). Commission Staff has reviewed the application and determined it is incomplete and therefore does not comply with the requirements of N.H. Code Admin. Rules Puc 2003. In particular, Staff identified the following requirements that have not been met and the related items which are missing from the application:

1) Certificate from the Secretary of State (SOS) showing that the applicant is authorized to do business in New Hampshire.

Puc 2006.02 Form for Initial and Renewal of Aggregators. (5) A copy of the applicant's authorization to do business in New Hampshire from the secretary of state, if anything other than an individual.

2) Proof of financial surety.

Puc 2003.01(d)(4) Evidence of financial surety, as defined in Puc 2003.03.

Regarding item #1, the SOS certificate is a document that you may need to specifically request from the SOS, as it is not automatically provided to you when your registration with that office is approved. The certificate contains a gold-colored seal.

Regarding item #2, the surety bond filed by Clearview does not meet the requirements of Puc 2003.03 because the term of the bond is not for at least five-years and 150-days after the date the application was filed. Staff acknowledges that a waiver request for the five-year and 150-day requirement was included with the application

filing. However, the bond has a one-year term that began in September 2013 and includes a right to terminate clause, under which the bond can be cancelled with 90-days written notice from the surety to Clearview and the Commission. In order for Staff to recommend approval, the bond must have at least a full one-year term with no termination clause.

In addition, the conditions for payment of the surety bond should be revised and expanded. The language regarding conditions for payment could include a statement such as "Upon notice from Obligee of Principal's nonperformance of its duties as a New Hampshire CEPS, or Principal's fraud or other violation of the laws, rules, orders, and decisions applicable to Principal's CEPS registration, Surety shall pay to or as directed by Obligee the full amount specified in Obligee's demand." Overall, the surety bond filed by Clearview appears to have been based on a surety bond used as security for an agreement between two parties, with references to agreements, transactions, bills, defaults and indebtedness, and is not appropriate for use as an instrument of financial assurance for which a state public utilities commission is the obligee. In order to correct these deficiencies, Staff recommends that Clearview submit a revised draft version of its proposed surety bond directly to Staff for review and feedback prior to filing the executed original bond with the Commission.

In order to complete your application, you should respond accordingly to the items listed above. When responding, please address your letter to Debra A. Howland, Executive Director, and reference the docket number listed on the subject line of this letter.

Pursuant to Puc 2003.04 (h), please provide all information requested within 60 days of the date of this later, on or before **August 11, 2014**. Puc 2003.04 (h) is copied below.

Puc 2003.04(h) If the commission has requested information or clarification to complete an application for registration, and such information or clarification is not provided within 60 days of the request, the commission shall suspend the application. If, after 120 days of the date of the request, the applicant has not provided the requested information or clarification, the commission shall reject the application. If an application is rejected, the application fee shall be forfeited and the applicant shall be required to submit a new application and fee prior to acting as a CEPS in New Hampshire.

Sincerely,

David Goyette

Utility Analyst III

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.

Executive.Director@puc.nh.gov amanda.noonan@puc.nh.gov david.goyette@puc.nh.gov JReed@ClearviewEnergy.com leszek.stachow@puc.nh.gov margaret.raymond@puc.nh.gov ocalitigation@oca.nh.gov tom.frantz@puc.nh.gov

Docket #: 14-164-1 P

Printed: June 13, 2014

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.