

# STATE OF NEW HAMPSHIRE

Inter-Department Communication

NHPUC 14JUN16PM3:10

DATE: June 14, 2016

AT (OFFICE): NHPUC

*David*  
**FROM:** David Goyette, Utility Analyst III

**SUBJECT:** DM 16-615, FairPoint Energy, LLC  
Renewal of Registration as Competitive Electric Power Supplier

**TO:** Commissioners  
Debra Howland, Executive Director

## Executive Summary

FairPoint Energy has applied to renew its registration as a competitive electric power supplier. FairPoint Energy's current registration expires on July 26, 2016. FairPoint Energy submitted a sample residential and small commercial customer contract, certificates demonstrating it completed EDI testing with Eversource and Unitil, a surety bond in the amount \$350,000 with an expiration date of July 26, 2017, 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 service in the franchise areas of Eversource and Unitil, for a renewal registration period ending on the termination date of the surety bond.

## Background and Analysis

On May 27, 2016, FairPoint Energy, LLC (FairPoint Energy) filed an application to renew its registration as a competitive electric power supplier (CEPS). FairPoint Energy's currently active registration, which the Commission approved in Docket No. DM 15-180, expires on July 26, 2016. FairPoint Energy's application included certificates demonstrating that it has completed EDI testing with Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) and Unitil Energy Systems, Inc. (Unitil) and a request for a waiver of Puc 2003.03(a)(5), which requires that the financial security filed with a CEPS renewal application have a term of not less than five years and 90 days. On June 7, 2016, FairPoint Energy filed a residential and small commercial customer contract and a surety bond in the amount of \$350,000, which becomes effective on July 26, 2016 and expires on July 26, 2017, and names the Commission as obligee. On June 13, 2016, FairPoint Energy filed a completed signature page for the application.

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 surety bond does not meet the five-year and 90-day requirement and because it expires on July 26, 2017, that the Commission approve a renewal registration period with 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. Staff also recommends that, if the Commission grants the requested waiver, the Commission notify FairPoint Energy that the financial security rules are likely to change during 2016 and that FairPoint Energy should monitor the rulemaking process in Docket No. DRM 13-151 and plan accordingly with respect to future operations in New Hampshire.

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

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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  
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.