

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 14-211, DE 14-031 and DE 14-061

LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP. d/b/a

LIBERTY UTILITIES AND

UNITIL ENERGY SYSTEMS, INC.

**Petition for Alternate Plan for Procurement of Energy Services Requirements and
Petitions for Default Service for Winter 2014-2015**

Order Concerning Competitive Default Service Procurement

ORDER NO. 25,732

November 4, 2014

This Order addresses utility plans in the event of failed default services solicitations, and establishes a new docket to conduct a stakeholder process to explore different approaches to future default service solicitations.

I. PROCEDURAL HISTORY

On September 8, 2014, the Commission issued Order No. 25,715 in Docket DE 14-211 in which it denied petitions to intervene by Freedom Logistics LLC d/b/a Freedom Energy Logistics and NextEra Energy Power Marketing LLC (NextEra). Both companies requested intervention for the purpose of commenting on a proposal by Liberty Utilities (Liberty) for dealing with a possible unsuccessful competitive solicitation for energy service requirements for its default service customers.

In Order No. 25,715, we required Commission Staff (Staff) to commence a stakeholder process to “explore procurement of retail electricity supply for New Hampshire customers, through the state’s utility default suppliers and otherwise.” At the September 24, 2014, hearing

on Liberty's Alternative Procurement Plan, the Commission indicated that if the September 2014 solicitation were approved, the Commission would schedule a hearing in December 2014 to consider alternatives to a competitive default service procurement in the event of future unsuccessful competitive procurements. In Order No. 25,719 (Sept. 29, 2014) the Commission approved Liberty's default service rates effective November 1, 2014, and found the underlying RFP process to be satisfactory.

On October 8, 2014, the Office of Consumer Advocate (OCA) filed a motion in Dockets DE 14-061 (Unitil Default Service) and DE 14-031 (Liberty Default Service) requesting that the stakeholder process be expedited in order to consider and recommend changes to the procurement process before Liberty and Unitil conducted solicitations for the winter of 2015-2016. Having already determined that a stakeholder process is needed to explore procurement approaches for future retail electricity supply, we find the OCA's motion to expedite filed in Dockets DE 14-031 and DE 14-061 to be moot.

For purposes of clarification, however, we further direct that a new docket be opened promptly by issuance and publication of an order of notice. The new docket shall include the three New Hampshire regulated electric distribution companies, as well as competitive energy suppliers, market participants, and customer representatives, with an interest in future procurements of default service. The new docket shall include stakeholder discussions on various approaches to default service solicitations and shall consider options such as those proposed by OCA, as well as options suggested by other stakeholders. Staff shall conduct a stakeholder process to reach recommendations prior to a hearing to be held by June 2015, on alternative approaches to the current solicitation process.

In addition to the new docket discussed above, the Commission establishes the following process for discussions of the proposals filed by, Liberty in Docket DE 14-211 on August 1, 2014, and by Unitil in Docket DE 14-061 on September 10, 2011, concerning plans for procuring default service in the event of a failed solicitation. Intervenors and other interested parties shall meet in a technical session, attended by representatives of Liberty and Unitil, to explore the two Company proposals and the Companies' basis for recommending the different approaches to responding to a failed auction. The technical session shall be held at 10:00 a.m. on November 21, 2014, at the Commission's offices. On or before December 15, 2014, intervenors and interested parties shall file with the Commission any other proposals for procuring power in the event of a failed auction. The Commission shall hold a hearing on all proposals for dealing with a failed auction on December 23, 2014, beginning at 10:00 a.m. The Executive Director shall provide notice of this schedule by posting this order on the Commission's website and by distributing it electronically to interested parties.


Based upon the foregoing, it is hereby

ORDERED, the motion to expedite by the Office of Consumer Advocate is DENIED as moot; and it is

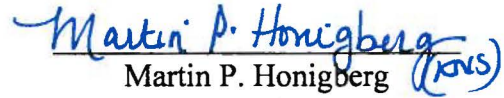
FURTHER ORDERED, that a new docket shall be opened to consider appropriate processes for future default service solicitations; and it is

FURTHER ORDERED, that the Commission shall consider proposals for dealing with a failed default service solicitation as described herein.

By order of the Public Utilities Commission of New Hampshire this fourth day of
November, 2014.




Robert R. Scott
Commissioner



Martin P. Honigberg
Commissioner

Attested by:



Debra A. Howland
Executive Director