

THE STATE OF NEW HAMPSHIRE

CHAIRMAN
Amy L. Ignatius

COMMISSIONERS
Michael D. Harrington
Robert R. Scott

EXECUTIVE DIRECTOR
Debra A. Howland



PUBLIC UTILITIES COMMISSION

21 S. Fruit Street, Suite 10
Concord, N.H. 03301-2429

TDD Access: Relay NH
1-800-735-2964

Tel. (603) 271-2431

FAX (603) 271-3878

Website:
www.puc.nh.gov

June 8, 2012

Ms. Katherine K. Battles, Esq.
Senior Counsel
Sprague Operating Resources LLC
Two International Drive, Suite 200
Portsmouth, NH 03801

Re: DM 12-022, Sprague Operating Resources LLC
Renewal Application as a CNGS

Dear Attorney Battles:

On January 19, 2012, Sprague Operating Resources LLC (Sprague Operating) filed with the Commission an application for renewal of its registration as a competitive natural gas supplier (CNGS), together with the renewal application fee of \$250.00. After an initial review of the application by Commission Staff, certain deficiencies in the registration application were brought to the attention of Sprague Operating. Specifically, Commission Staff informed Sprague Operating that, on the basis of data from Sprague Operating's most recently filed annual calendar year sales report, and pursuant to N.H. Code Admin. Rules Puc 3003.03, it would be required to file an updated surety bond for the maximum amount of \$350,000. Sprague Operating assented to Commission Staff's request, and filed a surety bond in the amount of \$350,000 with the Commission on April 4, 2012.

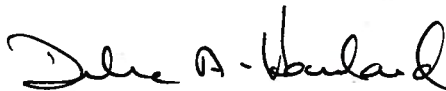
Commission Staff, as part of its review, also identified a number of natural gas aggregators served by Sprague Operating in New Hampshire that had failed to register as aggregators with the Commission. In light of the need to foster compliance with the registration requirements for natural gas aggregators in this State, Staff, in its recommendation relating to Sprague Operating's application filed on May 3, 2012, recommended that Sprague Operating be required to submit, within 6 months of the issuance of the Commission's approval letter, a written representation that all aggregators that it serves in New Hampshire are registered with the Commission. Commission Staff further recommended that, if this filing were not provided, Sprague Operating's registration would be suspended, pending registration filings being made with the Commission by the unregistered New Hampshire aggregators served by Sprague

Operating, or, in the alternative, pending a written statement by Sprague Operating that it had severed its business ties with such unregistered aggregators in New Hampshire. Subject to these conditions, following its review of the filing, Commission Staff has determined that the renewal application for registration as a CNGS meets the requirements for registration pursuant to N.H. Code Admin. Rules Puc 3003.02. Therefore, the Commission will approve the registration with an effective date of March 18, 2012, which coincides with the expiration of the existing registration for Sprague Operating, subject to the conditions relating to unregistered natural gas aggregators served by Sprague Operating in New Hampshire recommended by Commission Staff, and outlined above. (Thus, Sprague Operating's certification relating to unregistered aggregators would be due no later than December 8, 2012). The renewal registration will expire at the end of business on March 17, 2017.

Additionally, please bear in mind that, pursuant to N.H. Code Admin. Rules Puc 3003.02(a), each CNGS shall re-register with the Commission by filing an application for renewal at least 60 days prior to the expiration of its registration, i.e., in the case of Sprague Operating, on or before January 17, 2017. Please file a timely renewal application. Registration instructions and a checklist of requirements to properly file a renewal registration application are located on the Commission website at <http://www.puc.nh.gov/Gas-Steam/CNGS-Aggregator%20registration%20application%20instructions%20and%20checklist.pdf>.

All registered CNGS entities in the State of New Hampshire are subject to specific requirements spelled out in N.H. Code Admin. N.H. Code Admin. Rules Puc 3000 – Competitive Natural Gas Supplier and Aggregator Rules. These Rules can be found on our website at (<http://www.puc.nh.gov/Regulatory/Rules/PUC3000.pdf>). If you have any questions regarding these provisions, please contact the Commission. Thank you for your cooperation in this matter.

Sincerely,



Debra A. Howland
Executive Director

cc: Service List (Electronically)

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
alexander.speidel@puc.nh.gov
amanda.noonan@puc.nh.gov
Christina.Martin@oca.nh.gov
kbattles@spragueenergy.com
margaret.raymond@puc.nh.gov
mark.naylor@puc.nh.gov
ocalitigation@oca.nh.gov
robert.wyatt@puc.nh.gov
Rorie.E.P.Hollenberg@oca.nh.gov
steve.frink@puc.nh.gov

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 & SECRETARY
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.