

STATE OF NEW HAMPSHIRE
BEFORE THE
NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

Docket No. _____

**Petition of Power New England for Order
Requiring Modifications to PSNH's Terms and Conditions
to Ensure that PSNH's Small Customers Benefit from Retail Electricity Choice**

NOW COMES PNE Energy Supply LLC, d/b/a Power New England ("PNE") by its attorney, and hereby petitions the Commission for an Order requiring modifications to PSNH's Services and Schedule of Charges for Energy Service Providers to ensure that all small customers benefit from retail electricity competition, and in support of its Petition, Petitioner says the following:

INTRODUCTION

1. PNE Energy Supply LLC d/b/a Power New England ("PNE") (www.powernewengland.com) is a duly-registered CEPS in PSNH's service territory. Docket No. DM 11 -075 (September 22, 2011).

2. PSNH's large customers have left PSNH for competitive electricity suppliers at a very high rate in order to avail themselves of substantial savings versus PSNH's default energy service rate.

3. In the absence of a Commission order or change in law to the contrary, the migration of large customers away from PSNH tends to increase PSNH's default energy service rate for smaller customers.

4. The rate of migration of PSNH's smaller customers away from PSNH is still relatively low, and it is substantially lower than comparable small customer migration rates for other New England utilities, most notably PSNH's affiliates in Connecticut (CL&P) and Massachusetts (WMECO and NSTAR).

5. Large increases to PSNH's default energy service rates are expected to occur over the next three or four years. This should be a matter of broad public concern, and regulatory concern in particular. While PSNH's larger customers will be able to escape these increases, PSNH's smaller customers will not only have to pay their share, but will also have to shoulder the share of PSNH's costs avoided by PSNH's larger customers.

6. PSNH's small customers should have the same opportunities to migrate away from PSNH such as those enjoyed by PSNH's large customers, as well as the small customers of PSNH's affiliates in Connecticut and Massachusetts.

7. The Commission recently remarked upon the market for competitive energy suppliers with respect to PSNH's small commercial and residential customers:

The competitive suppliers and the OCA expressed agreement that POR [Purchase of Receivables] with customer referral and electronic interface would help open the market for competitive energy suppliers in New Hampshire, particularly among the small commercial and residential customers. PSNH argued against the proposal, asserting that it would require PSNH to accept a large share of the risk associated with serving customers who have migrated. PSNH, however, did not present legal impediments against the institution of a POR program.

Investigation into the Effects of Customer Migration, Order No. 25,256 (July 26, 2011) at 35.

8. As noted by the Commission, PSNH argued against the Purchase of Receivables proposal, notwithstanding the fact that PSNH's Massachusetts and Connecticut affiliates have agreed to implement such programs. In New Hampshire, PSNH can be expected to fight any change, no matter how small.

APPLICABLE LAW

9. PSNH's Terms and Conditions for Energy Service Providers are contained in its Electricity Delivery Service Tariff – NHPUC No. 8, Original Pages 31 through 40. PSNH's "Services and Schedule of Charges" are set out in Section 2, original pages 32 through 36.

10. It is well-settled that the Commission's authority to establish just and reasonable rates and charges for utilities is plenary. PSNH is a public utility under New Hampshire law. See, RSA 362:2. The public utilities commission is a specialized state agency with technical expertise in the field of public utilities and is vested by the NH Legislature with "plenary authority" over PSNH. Order No. 24,614 (April 13, 2006), at 7. RSA 347:3 endows the PUC with "general supervision of all public utilities ... so far as necessary" to effectuate the Commission's various enabling statutes." Additionally, RSA 374:4 delegates to the PUC both the "power" and the "duty, to keep informed as to all public utilities in the state."

RECOMMENDED MODIFICATIONS TO PSNH'S SERVICES AND SCHEDULE OF CHARGES FOR ENERGY SERVICE PROVIDERS

11. As outlined below, there are at least three charges assessed by PSNH to competitive suppliers, such as Power New England, that are completely out-of-line with the comparable

charges assessed by other New England utilities, including PSNH affiliates in Massachusetts and Connecticut.

“Selection Charge”

12. Section 2(a), Customer Change of Supplier provides, *inter alia*, as follows:

The Company will be entitled to make a Selection Charge for any changes initiated by a Customer, Supplier, or an authorized agent to a different Supplier or to Default Service or Self-Supply Service.

Selection Charge\$5.00 per Request

13. No other utility in New Hampshire imposes a “Selection Charge.” PSNH’s new affiliate, NSTAR, does not impose a Selection Charge.

“Billing and Payment Service Charge”

14. Section 2(f), Billing and Payment Service provides, *inter alia*, as follows:

The Company will provide Billing and Payment Service as an option to Suppliers who have entered into a written agreement for Billing and Payment Service with the Company for a minimum of one year. The monthly Billing and Payment Service Charge, listed below, is for billing arrangements which can be accommodated by the Company’s billing systems without significant programming changes:

Billing and Payment Service Charge\$ 0.50 per bill rendered

16. No other utility in New England charges a fee for “Billing and Payment Services.”

“Collection Services Charge”

17. Section 2(g), Collection Services provides, *inter alia*, as follows:

The Company will provide Collection Services in conjunction with Billing and Payment Service for Suppliers who have entered into a written agreement for such service with the Company for a minimum of one year.

Collection Services Charge.....0.252% of total monthly receivable dollars

18. No other utility in New England charges a fee for “Collection Services.”

CONCLUSION

19. Petitioner Power New England has proposed three simple modifications to PSNH’s Services and Schedule of Charges for Energy Service Providers in an effort to ensure that all of

PSNH's small customers benefit from retail electricity competition. The modifications are simply intended to begin the process of bringing PSNH into line with other New England utilities, most notably PSNH's affiliates in Massachusetts and Connecticut.

PRAYER FOR RELIEF

WHEREFORE, Petitioner respectfully petition the Commission for an Order requiring modifications to PSNH's Terms and Conditions for Energy Service Providers to ensure that all small customers benefit from retail electricity competition

- A. Eliminate PSNH's Selection Charge;
- B.** Eliminate PSNH's Billing and Payment Service Charge;
- C. Eliminate PSNH's Collection Services Charge; and
- D. Order such other and further relief as may be just and equitable.

RESPECTFULLY SUBMITTED,
PNE Energy Supply LLC
by its Attorney,

Dated: April 12, 2012

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