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THE STATE OF NEW HAMPSHIRE



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December 28, 2015

Otibo Arthur, Compliance Analyst Direct Energy Business, LLC 12 Greenway Plaza, Suite No. 250 Houston, TX 77046

Re: DM 15-373, Direct Energy Business, LLC Application to Register as Competitive Electric Power Supplier

Dear Mr. Arthur:

On September 9, 2015, Direct Energy Business, LLC (Direct Energy Business) filed an application to register as a competitive electric power supplier (CEPS). The application included a surety bond in the amount of \$350,000, which became effective August 31, 2015, and names the Commission as obligee, and a statement that it intends to serve commercial and industrial customers. On November 21, 2015, Direct Energy Business filed a rider that removes a 30-day cancellation provision from the bond. On December 18, 2015, Direct Energy Business filed an updated application that included documentation that demonstrates it has completed electronic data interchange (EDI) testing with New Hampshire Electric Cooperative, Inc. (NHEC), a rider that extends the term of the bond to July 31, 2021, and evidence that it is able to obtain supply in the New England energy market.

Commission Staff filed a memorandum on December 22, 2015, in which it stated it believes the application complies with the requirements of Puc 2003 and 2006.01. Staff recommended that the Commission approve the registration for a term of five years. In addition, Staff recommended that the Commission authorize Direct Energy Business to operate in the franchise area of NHEC. Finally, Staff recommended that Direct Energy Business be informed that the financial security rules are likely to change during 2016 and that it should monitor the rulemaking process in Docket No. DRM 13-151 and plan accordingly.

The Commission has reviewed Direct Energy Business's application and Staff's recommendation and has approved the application as recommended. Accordingly, Direct Energy Business's application to register as a CEPS, authorized to operate in the

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franchise area of NHEC, is granted for a term beginning on December 31, 2015 and ending on December 31, 2020. Pursuant to N.H. Code Admin. Rules Puc 2003.02(a), Direct Energy Business must submit a renewal application at least 60 days prior to the expiration of the approved registration period, on or before October 24, 2020.

Please be aware that registered CEPSs are subject to specific requirements contained in Puc 2000 – Competitive Electric Power Supplier and Aggregator Rules. These rules are available at: <u>http://www.puc.nh.gov/Regulatory/Rules/PUC2000.pdf</u>.

In addition, CEPS must comply with the renewable portfolio standard (RPS) requirements of RSA 362-F. The RPS obligation applies to every "provider of electricity," as defined in RSA 362-F:2, XIV, which includes registered CEPS. Please also refer to the Puc 2500 rules for further details regarding RPS compliance and reporting requirements. RPS compliance is on a calendar year basis and must be reported to the Commission by July 1 of the subsequent calendar year. Pursuant to RSA 378:49, all CEPS also must comply with the requirement to disclose environmental characteristics of the electricity they sell to retail customers. Commission Order No. 25,264, in Docket No. DE 10-226, provides guidance as to the appropriate format for such disclosure. Order No. 25,264 can be viewed at: http://puc.nh.gov/Regulatory/Orders/2011 orders/25264e.pdf.

Finally, as noted above, the financial security rules set forth in Puc 2003.05(a)(5) are likely to change. Please monitor the Commission's website for notice of this rulemaking process in Docket No. DRM 13-151 and plan accordingly.

Sincerely,

Debra A. Howland /ael

Debra A. Howland Executive Director

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.

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Docket #: 15-373-1 Printed: December 28, 2015

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.