STATE OF NEW HAMPSHIRE

Inter-Department Communication

NHPUC 30MAR'17pm2:53

DATE: March 30, 2017 **AT (OFFICE):** NHPUC

FROM: David Goyette, Utility Analyst III

SUBJECT: DM 17-042 Champion Energy Services, LLC

Application for Registration as Competitive Electric Power Supplier

TO: Commissioners

Debra Howland, Executive Director

Executive Summary

Champion Energy has applied to register as a competitive electric power supplier. Champion Energy submitted certificates demonstrating it completed EDI testing with Eversource and Unitil, a surety bond in the amount of \$100,000, a request for a waiver of the five-year and 150-day term requirement for financial security, and a statement that it would serve only large commercial and industrial customers. If the Commission were to grant the requested rule waiver, Staff believes the filing is acceptable. Staff recommends that the Commission grant the waiver and approve the application for a registration period ending on the termination date of the surety bond.

Background and Analysis

On March 15, 2017, Champion Energy Services, LLC (Champion Energy) filed an application to register as a competitive electric power supplier (CEPS). The application included documentation that demonstrates it has completed electronic data interchange (EDI) testing with Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) and Unitil Energy Systems, Inc. (Unitil), a surety bond in the amount of \$100,000, which names the Commission as obligee, and expires on March 1, 2018, and a statement that it would serve only large commercial and industrial customers. On March 27, 2017, Champion Energy filed a revised customer complaint report, evidence that shows it is able to obtain supply in the New England energy market, and a request for a waiver of Puc 2003.03(a)(5), which requires the financial security filed with an initial CEPS application have a term of five years and 150 days.

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 150-day requirement and because it expires on March 1, 2018, that the Commission approve a registration period beginning on the date of the Commission's letter and ending concurrently with the expiration of the surety

bond, at the close of business on March 1, 2018. Staff also recommends that, if the Commission grants the requested waiver, the Commission notify Champion Energy that the financial security rules are likely to change during 2017 and that Champion Energy should monitor the rulemaking process in Docket No. DRM 16-853 and plan accordingly with respect to future operations in New Hampshire.

Champion Energy filed documentation that demonstrates it has completed EDI testing with Eversource and Unitil. Staff, therefore, recommends that the Commission approve Champion Energy's application to register as a CEPS, and that it permit Champion Energy to serve only large commercial and industrial customers and operate only in the service areas of Eversource and Unitil. If Champion Energy seeks to operate in the service area of any other distribution utility, 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

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

EXECUTIVE DIRECTOR
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- 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.