



STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: December 21, 2012
AT (OFFICE): NHPUC

FROM: Al-Azad Iqbal
Utility Analyst III

SUBJECT: DM 12-289 Notice of Electricity NH, LLC (dba ENH Power)'s Intent to Provide Electric Aggregation Service; Staff Recommendation

TO: Debra Howland
Executive Director

Electricity NH, LLC (dba ENH Power) has notified the Commission of its intent to provide electric aggregation service. ENH Power is currently a registered Competitive Electric Supplier in New Hampshire. This is the first instance of an entity seeking to be both an aggregator and a CEPS and, as such, the application raised some issues which required further investigation given the differing roles of a CEPS and an aggregator. Puc 2003.04(f) sets the time frame for a review process to 60 days after an application is complete. On November 28, 2012 Staff requested a waiver of the rule to extend the time to complete the review process. On December 3, 2012, the Commission extended the review time to December 28, 2012.

Staff has completed its review and notes the following issues that arose during the course of its review:

- An aggregator and a CEPS have distinct roles in market place. Given that a CEPS takes the ownership of the power and an aggregator does not¹, one entity having both roles would make it difficult to determine where the aggregator traits end and where the CEPS traits begin, thereby creating potential confusion for customers and regulators.
- There are different consumer protection requirements with respect to a CEPS and an aggregator².
- There are different enforcement provisions and procedures with respect to a CEPS and an aggregator³.
- Given the substantial differences in consumer protection and enforcement provisions for a CEPS versus an aggregator, there is a potential that difficulties could arise with any enforcement activities necessitated by actions performed by the singular entity operating in either of its roles. In other words, depending on

¹ Puc 2002.02 "Aggregator" means any person or entity, other than a utility, that aggregates electric load on behalf of a competitive electric power supplier, an individual, or a group of customers. An aggregator does not take ownership of the electricity.

² Reference Puc 2004.

³ Reference Puc 2005.

any particular enforcement actions taken, it may be difficult to target those actions to either the CEPS or the aggregator without impacting both.

- Confusion could arise among customers who may have thought they were signing up as a customer of a supplier and actually are a customer of an aggregator (or the reverse).

Considering the above issues, Staff recommends that ENH Power create a separate legal entity with a different name for its aggregation service and re-submit its application. In doing so, Staff believes that issues related to registration, customer relations, enforcement and overall administration will be greatly simplified and will provide for a much clearer path going forward.

Should you have any questions, please do not hesitate to contact me.