

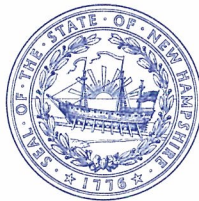
DEM 15-101

THE STATE OF NEW HAMPSHIRE

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May 14, 2013



Debra Howland  
Executive Director  
New Hampshire Public Utilities Commission  
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RE: Follow up to DE 13-059/13-060 Resident Power/PNE Show Cause Proceedings

Dear Ms. Howland:

On April 15, 2013, the New Hampshire Public Utilities Commission (Commission) issued Order No 25,492 approving a Settlement Agreement between Resident Power/ PNE and the Commission Staff (Staff) in the above captioned case. The Settlement Agreement addressed specific matters raised by PNE's default in the electricity market.

The Staff investigation of PNE and Resident Power uncovered gaps in the regulatory structure concerning Competitive Electric Power Suppliers (CEPS) and Aggregators. The Commission found:

Regarding the comments made by OCA and PSNH at the hearing, we acknowledge, as Staff acknowledges, that there is much work to be done in enhancing New Hampshire's new regulatory framework for competitive energy suppliers as the competitive retail electricity market continues to develop.

*In Re Resident Power/PNE Show Cause Proceedings, Order No 25,492 (April 15, 2013) at 8.*

In addition, a May 6, 2013 newspaper article raised questions of a CEPS engaging in misleading customer solicitation practices, including salespeople impersonating utility workers and misrepresenting rate information. See Solomon, Dave, *Power seller goes door-to-door to get customers to switch from PSNH* Union Leader, May 6, 2013.

With this letter the Office of Consumer Advocate (OCA) and Staff request the Commission open a Rulemaking to review the N.H. Code of Administrative Rules, Chapter Puc 2000 Competitive Electric Power Supplier and Aggregator Rules. Without limiting the

investigation into Chapter Puc 2000, we propose at a minimum to include review of the following rules:

- Puc 2003.01 and Puc 2006.01 to consider modifying the registration application to require, among other things, written notice to the OCA and the Commission when a CEPS begins serving residential customers;
- Puc 2004 relative to those actions which would end an aggregation agreement between an aggregator and a residential customer;
- Puc 2004 relative to customer notice when an aggregator is acting as an agent for a CEPS;
- Puc 2004 relative to amending the notification process to be followed if a CEPS defaults at ISO-NE or is otherwise unable to fulfill its contractual obligations to customers;
- Puc 2003 and Puc 2004 relative to penalties for unauthorized solicitation practices;
- Puc 2004.05, Puc 2004.10 and Puc 2005 relative to considering amendments regarding remedies for residential customers transferred to another supplier without authorization when the transfer is due to mistake, Electronic Data Interface (EDI) malfunction, or other unintentional miscommunication;
- Puc 2004.05 to clarify distribution utility responsibilities when responding to CEPS EDI requests to switch multiple residential accounts from one supplier to another; and
- Puc 2005 to consider amending the enforcement provisions and procedures.

Staff and the OCA also recommend the rulemaking include a review of the Commission's authority over aggregators pursuant to RSA 374-F, specifically 374-F:2 and 374-F:7 as it relates to the establishment of consumer protections as well as fines or other sanctions for violations of the Commission's rules.

Staff and the OCA look forward to working with all interested parties to update the Chapter Puc 2000 Competitive Electric Power Supplier and Aggregator Rules.

Respectfully submitted,



Susan W. Chamberlin  
Consumer Advocate

Amanda Noonan  
Director, Consumer Affairs

cc: Service list via electronic mail