

# STATE OF NEW HAMPSHIRE

## Inter-Department Communication

**DATE:** February 19, 2015

**AT (OFFICE):** NHPUC

NHPUC 19FEB'15PM4:03

*David*  
**FROM:** David Goyette, Utility Analyst III  
**SUBJECT:** DM 15-071, Ethical Electric, Inc.  
Renewal of Registration as Competitive Electric Power Supplier  
**TO:** Commissioners  
Debra Howland, Executive Director

### Executive Summary

Ethical Electric has applied to renew its registration as a competitive electric power supplier. Ethical Electric's current registration expires April 15, 2015. Ethical Electric submitted a sample residential and small commercial customer contract, a certificate demonstrating it completed EDI testing with NHEC, a continuation certificate extending, by one year, the term of its surety bond in the amount of \$100,000, and a request for a waiver of the five-year and 90-day term requirement for financial security. If the Commission were to grant the waiver, Staff believes the filing is acceptable. Staff recommends the Commission grant the waiver and approve the application, for service only in the franchise area of NHEC, for a renewal registration period ending on the termination date of the surety bond as amended.

### Background and Analysis

On February 17, 2015, Ethical Electric, Inc. (Ethical Electric) filed an application to renew its registration as a competitive electric power supplier (CEPS). Ethical Electric's currently active registration, which the Commission approved in Docket No. DM 13-360, expires on April 15, 2015. Ethical Electric's application included a sample of a residential and small commercial customer contract and a certificate demonstrating that it has completed EDI testing with New Hampshire Electric Co-op (NHEC). Also on February 17, 2015, under a separate filing, Ethical Electric submitted a continuation certificate to the surety bond it filed with its initial application in Docket No. DM 13-360, which extends the term and expiration date of the surety bond to April 15, 2016, and a request for a waiver of Puc 2003.03(a)(5)(b), which requires that the financial security filed with a CEPS renewal application have a term of not less than five years and 90 days. The amended surety bond is in the amount of \$100,000 and names the Commission as beneficiary.

Staff has reviewed the information in the application and, if the Commission were to grant approval of the waiver request, 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 amended surety bond does not meet the five-year and 90-day requirement and because it expires on April 15, 2016, that the Commission approve a renewal registration period with a term concurrent with the amended surety bond, beginning on the expiration date of the previously active registration, April 16, 2015, and ending on April 15, 2016. Staff also recommends that, if the Commission grants the requested waiver, the Commission notify Ethical Electric that the financial security rules are likely to change during 2015 and that Ethical Electric should monitor the rulemaking process in Docket No. DRM 13-151 and plan accordingly with respect to future operations in New Hampshire.

Staff recommends that the Commission approve Ethical Electric's application to renew its registration as a CEPS, authorized to operate only in the service area of NHEC. If Ethical Electric seeks to operate in the service areas of other distribution utilities, 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**

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**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  
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.**