

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: January 30, 2018
AT (OFFICE): NHPUC

FROM: Amanda O. Noonan 

SUBJECT: DM 16-869 Constellation Energy Services, Inc.
Withdrawal of Registration

TO: Commissioners
Debra A. Howland

CC: David K. Wiesner

NHPUC 31JAN18AM8:59

On November 28, 2017, Constellation Energy Services, Inc. (CES) filed with the Commission a request to voluntarily withdraw its registration as a competitive electric power supplier (CEPS). In its request, CES referenced its August 31, 2017 notification to the Commission of its merger with and into Constellation NewEnergy, Inc. (CNE), effective as of September 1, 2017, and again stated that the merger did not affect CES's customer contracts, rates, or services, as CNE continued to abide by the terms and conditions of customers' existing retail contracts.

New Hampshire Code Admin. Rules Chapter Puc 2000, as adopted by the Commission on August 25, 2017, became effective on November 1, 2017. Section Puc 2003.08 of those rules permits a CEPS no longer selling electricity in New Hampshire to request withdrawal of its registration in order to be released from its financial security obligations by filing a letter with the Executive Director confirming that the CEPS has served no customers for the past 120 days and that notice was provided to customers in accordance with the applicable provisions of Puc 2004.13 through Puc 2004.16.

At the time of the transfer of customer accounts through the merger of CES with CNE, the rules amendments recently adopted by the Commission had not yet become effective, and the pertinent rule regarding notice to customers was Puc 2004.05(k). *See* N.H. Code Admin. Rules Chapter Puc 2000, effective 8-26-10. Effective as of September 1, 2017, CES ceased to exist as CNE was the surviving entity in the merger. In this situation, the customer notice required by the rules in effect prior to and at the time of the merger of CES and CNE should have been provided to customers no less than 14 days prior to the September 1, 2017 merger effective date.

In response to Staff inquiries, CES confirmed that it had not provided notice to its customers of the transfer of service to CNE, and so it failed to comply with the notice provisions of Puc 2004.05(k). CES's failure to comply with the Commission's rules applicable to CEPS is concerning. However, CES has served no customers for the past

120 days, and the Commission's Consumer Services Division has received no complaints from customers regarding CES, CNE, or the transfer of service resulting from their merger.

Accordingly, Staff recommends that the Commission take no action in regard to CES's failure to comply with the relevant rules regarding customer notice. In addition, Staff recommends that the Commission grant CES's request to voluntarily withdraw its registration as a CEPS and that CES be released from its financial security obligations.

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
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.**