

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: January 27, 2017

AT (OFFICE): NHPUC


FROM: David Goyette, Utility Analyst III



NHPUC 27 JAN 17 PM 3:19

SUBJECT: DM 17-013, Mega Energy of New Hampshire, LLC
Renewal of Registration as Competitive Electric Power Supplier

TO: Commissioners
Debra Howland, Executive Director

Executive Summary

Mega Energy has applied to renew its registration as a competitive electric power supplier. Mega Energy's current registration expires on March 25, 2017. Mega Energy submitted a sample residential and small commercial customer contract, a certificate demonstrating it completed EDI testing with Eversource, an amendment extending by one year its letter of credit in the amount of \$350,000, 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 requested rule waiver, Staff believes the filing is acceptable. Staff recommends that the Commission grant the waiver and approve the application, for service only in the franchise area of Eversource, for a renewal registration period ending on the termination date of the amended letter of credit.

Background and Analysis

On January 24, 2017, Mega Energy of New Hampshire, LLC (Mega Energy) filed an application to renew its registration as a competitive electric power supplier (CEPS). Mega Energy's currently active registration, which the Commission approved in Docket DM 16-187, expires on March 25, 2017. Mega Energy's application included a residential and small commercial contract, a certificate demonstrating that it has completed EDI testing with Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource), evidence that it is able to obtain supply in the New England energy market, an amendment extending by one year its currently effective letter of credit (LOC) in the amount of \$350,000 which names the Commission as the beneficiary, and a request for a waiver of Puc 2003.03(a)(5), which requires the financial security filed with a CEPS renewal application have a term of five years and 90 days.

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 LOC does not meet the five-year and 90-day term requirement and because it expires on March 25, 2018, that the Commission approve a

registration period concurrent with the amended LOC, beginning on the expiration date of the currently active registration, March 25, 2017, and ending at the close of business on March 25, 2018. Staff also recommends that the Commission notify Mega Energy that the financial security rules are likely to change during 2017 and that Mega Energy should monitor the rulemaking process in Docket DRM 16-853 and plan accordingly with respect to future operations in New Hampshire.

Mega Energy filed documentation that demonstrates it has completed EDI testing with Eversource. Staff therefore recommends that the Commission approve Mega Energy's application to renew its registration as a CEPS, and permit Mega Energy to serve residential and small commercial customers and to operate only in the service area of Eversource. If Mega Energy seeks to operate in the service areas of other distribution utilities, it can do so by providing proof that it has completed EDI testing with each distribution utility in whose franchise area it requests 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.

Executive.Director@puc.nh.gov
amanda.noonan@puc.nh.gov
david.goyette@puc.nh.gov
david.wiesner@puc.nh.gov
leszek.stachow@puc.nh.gov
margaret.raymond@puc.nh.gov
mmorgan@megaenergyllc.com
ocalitigation@oca.nh.gov
tom.frantz@puc.nh.gov

Docket #: 17-013-1 Printed: January 27, 2017

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
EXEC 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.**