

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: November 20, 2015

AT (OFFICE): NHPUC

FROM: David Goyette, Utility Analyst III

David
RF

NHPUC 23NOV15AM10:59

SUBJECT: DM 14-298 Agera Energy LLC
Competitive Electric Power Supplier
Request to Replace \$100K Surety Bond with \$350K Surety Bond

TO: Commission
Debra Howland, Executive Director

On November 9, 2015, Agera Energy, LLC (Agera), a registered competitive electric power supplier, filed a surety bond (new bond) dated October 30, 2015 in the amount of \$350,000, intended to replace the surety bond (old bond), dated May 14, 2015 and filed with the Commission on May 22, 2015 and a form for the release of the old bond. Agera filed the new bond in response to Staff's notification to Agera, that the amount of financial surety provided to the Commission is not adequate and is not in compliance with N.H. Code Admin. Rule Puc 2003.03(2):

(a) The security required by Puc 2003.01(d)(4) shall:

(1) Be in the form of a surety bond or other financial instrument showing evidence of liquid funds, such as a certificate of deposit, an irrevocable letter of credit, a line of credit, a loan or a guarantee;

(2) Be the greater of: a. \$100,000.00; b. 20% of the CEPS's estimated gross receipts for its first full year of operation, not including revenue from the provision of default service, for a CEPS's first year of operation; or c. 20% of the CEPS's actual gross receipts for the preceding year of operation, not including revenue from the provision of default service, for any year after the first year of operation;

(3) Not exceed \$350,000.00;

Agera has indicated that it would like the new bond to replace the old bond. The new bond, if approved, would increase the amount of Agera's financial security from \$100,000 to \$300,000, and would meet the requirements of Puc 2003.03(2). Agera has also requested that the Commission complete and sign the bond release form and mail the form and the old bond to the following address.

Agera Energy LLC
555 Pleasantville Rd S 107
Briarcliff Manor, NY 10510

Staff has reviewed the new bond and, except for the higher amount, found it to be substantially similar in its material terms to the old bond. Like the old bond, the new bond has a term that expires on January 8, 2016, and names the Commission as the benefitted party. In addition, the material terms and conditions of the new bond are no less favorable to the Commission and the interests to be protected under its rules than are those of the old bond previously filed by Agera in this docket.

Because the term and other material terms and conditions of the new bond are substantially similar to and no less favorable than those of the old bond, Staff recommends that the Commission accept the new bond as replacement financial security for the old bond, that the release form be completed, and that the form and the old bond be mailed to the address listed above.

11/20/2015

Service list: DM 14-298

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