STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: September 25, 2017 **AT (QFFICE):** NHPUC

FROM: David Goyette, Utility Analyst III

SUBJECT: DM 17-129, SmartEnergy Holdings, LLC

Renewal of Registration as Competitive Electric Power Supplier

TO: Commissioners

Debra Howland, Executive Director

NHPUC 25SEP'17PH3:00

Executive Summary

SmartEnergy has applied to renew its registration as a competitive electric power supplier. SmartEnergy's current registration expires on October 18, 2017. SmartEnergy submitted a sample residential and small commercial customer contract, certificates demonstrating it completed EDI testing with Eversource and Unitil, a continuation certificate extending by one year its surety bond in the amount of \$100,000, a request for a waiver of the filing deadline requirement, 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 waiver, Staff believes the filing is acceptable. Staff recommends that the Commission grant the waiver and approve the application, for service in the franchise areas of Eversource and Unitil, for a renewal registration period ending on the termination date of the amended surety bond.

Background and Analysis

On August 21, 2017, SmartEnergy Holdings, LLC (SmartEnergy) filed an application to renew its registration as a competitive electric power supplier (CEPS). SmartEnergy's currently active registration, which the Commission approved in Docket DM 16-839, expires on October 18, 2017. SmartEnergy's application included certificates demonstrating that it has completed electronic data interchange (EDI) testing with Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource) and Unitil Energy Systems, Inc. (Unitil) and, because its renewal was due on August 18, 2017, a request for a waiver of the filing deadline requirement in Puc 2003.02(a). On September 21, 2017, SmartEnergy filed a residential and small commercial customer contract, a continuation certificate extending by one year, to October 18, 2018, its currently effective surety bond, which is in the amount of \$100,000 and names the Commission as obligee, 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 requests for the filing deadline and financial security term requirements, believes it meets the requirements of Puc 2003 and 2006.01. Staff recommends that the Commission grant the requests for waivers and, because the surety bond does not meet the five-year and 90-day term requirement and because it expires on October 18, 2018, that the Commission approve a registration period concurrent with the term of the surety bond, beginning on the expiration date of the currently active registration, October 18, 2017, and ending at the close of business on October 17, 2018. Staff also recommends that the Commission notify SmartEnergy that revised rules for CEPS, adopted on August 25, 2017 and effective on November 1, 2017, contain financial security and other requirements different from those in the currently effective rules and that SmartEnergy should plan accordingly with respect to future operations in New Hampshire.

SmartEnergy filed documentation that demonstrates it has completed EDI testing with Eversource and Unitil. Staff therefore recommends that the Commission approve SmartEnergy's application to renew its registration as a CEPS, and permit SmartEnergy to serve residential and small commercial customers and to operate in the service areas of Eversource and Unitil. If SmartEnergy 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.

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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
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- 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.