

STATE OF NEW HAMPSHIRE**Inter-Department Communication****DATE:** October 20, 2014**AT (OFFICE):** NHPUC**FROM:** *David*
David Goyette, Utility Analyst III**SUBJECT:** DM 14-284, Twin Cities Power, LLC d/b/a Town Square Energy
Renewal of Registration as Competitive Electric Power Supplier**TO:** Commissioners
Debra Howland, Executive DirectorExecutive Summary

Twin Cities Power has applied to renew its registration as a competitive electric power supplier. Twin Cities Power's current registration expired on October 9, 2014. Twin Cities Power submitted a sample residential customer contract, certificates demonstrating it completed EDI testing with PSNH and Unitil Energy Systems, a one-year 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 areas of PSNH and UES, for a renewal registration period ending on the termination date of the surety bond.

Background and Analysis

On October 9, 2014, Twin Cities Power, LLC d/b/a Town Square Energy (Twin Cities Power) filed an application to renew its registration as a competitive electric power supplier (CEPS). Twin Cities Power's currently active registration, which the Commission approved in Docket No. DM 13-027, expired on October 9, 2014. Twin Cities Power's application included a sample residential customer contract and certificates demonstrating that Twin Cities Power has completed EDI testing with Public Service Company of New Hampshire (PSNH) and Unitil Energy Services (UES). On October 17, 2014, Twin Cities Power submitted a surety bond in the amount of \$100,000, with a one-year term that expires on October 9, 2015, naming the Commission as beneficiary. On October 20, 2014, the company filed a request for a waiver of Puc 2003.03(a)(5)(b), which requires the financial security filed with a CEPS renewal application have a term of 5 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 surety bond does not meet the 5-year and 90-day

requirement and because it expires on October 9, 2015, that the Commission approve a renewal registration period with a term concurrent with the surety bond, beginning on the expiration date of the previously active registration, October 9, 2014, and ending on October 9, 2015. Staff also recommends that, if the Commission grants the requested waiver, the Commission notify Twin Cities Power that the financial security rules are likely to change by early next year and that Twin Cities Power should monitor the rulemaking process in Docket No. DRM 13-151 and plan accordingly with respect to future operations in New Hampshire.

Staff noted that that, pursuant to Puc 2003.02(a), Twin Cities Power's renewal application should have been filed at least 60 days prior to the expiration of the currently effective registration, on or before August 10, 2014. Twin Cities Power stated that it sincerely apologizes that its filing is being made after their due date, that this is its first cycle through the renewal process, and that it failed to recognize and respond to the 60-day advance requirement to submit renewal documents. Because this is the first time Twin Cities Power's has been late with filing its application, Staff recommends the Commission approve Twin Cities Power's application to renew its registration as a CEPS, and that it permit Twin Cities Power to operate only in the service areas of PSNH and UES.

If Twin Cities Power 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.

Staff also recommends that the Commission notify Twin Cities Power that the financial security rules are likely to change by early next year and that Twin Cities Power should monitor the rulemaking process in Docket No. DRM 13-151 and plan accordingly with respect to future operations in New Hampshire.

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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Docket #: 14-284-1 Printed: October 20, 2014

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
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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.