

STATE OF NEW HAMPSHIRE  
BEFORE THE  
NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

PNE Energy Supply, LLC (“PNE”)  
Docket No. DE 13-060

**MOTION FOR REDUCTION IN FINANCIAL SECURITY HELD IN ESCROW**

NOW COMES PNE Energy Supply LLC (“PNE”), by and through its attorney, and hereby motions the Commission for a reduction to the financial security required of PNE, from the \$200,000 called for under Order No. 25,492, to the \$100,000 required under Puc 2003, and in support hereof says as follows:

1. By Order No. 25,492, issued April 13, 2103, the Commission approved a Settlement Agreement between PNE and the PUC Staff in DE 13-060. The Order requires PNE to maintain an escrow account in the minimum amount of \$200,000 to satisfy the financial security requirement of Puc 2003.01(d)(4).

2. The Commission had instituted a show cause proceeding against PNE in February, 2013 in connection with PNE’s financial assurance default at the ISO-NE. In Order No. 25,492, PNE’s status as an operating competitive energy provider in NH was fully restored and no fines, penalties or sanctions were imposed on PNE. PNE did agree to make a payment of \$9.50 to each affected customer.

3. On May 6, 2013, PNE filed an Escrow Agreement with the Commission which states the escrow amount “may be decreased only with the consent of the NHPUC.” The minimum amount of security required by the Commission’s rules is \$100,000 and, given PNE’s present level of sales, is all that would be required for PNE under current circumstances.

4. A reduction in PNE’s escrow amount would also be consistent with the Commission’s response to the recent financial default and ISO-NE suspension of People’s Power and Gas, LLC (“PPG”), an electric supplier to almost 6,000 residential customers in New Hampshire.

5. The Commission has taken no formal action against PPG in response to its default, and has continued to allow PPG to meet its financial security requirement by posting a \$100,000 letter of credit (“LOC”) issued by the General Equity Building Society of Auckland, New Zealand. The Commission is named as the Beneficiary. The Applicant is Polo Trade Finance, Level 4, Suite A-17, Albert Street, Auckland, New Zealand 1010. In order to collect on the

\$100,000 LOC, the Commission must provide an “authenticated Swift MSG addressed to Beneficiary’s bank by General Equity Building Society (private banking), Auckland, New Zealand by confirming the Beneficiary’s fulfillment of their commitment towards the Applicant” (Polo Trade Finance). Reduced to its essence, it appears that the Commission, in order to collect on the \$100,000 LOC posted by PPG, must confirm the Commission’s fulfillment of its commitment to Polo Trade Finance.

WHEREFORE, PNE Energy Supply LLC, for the foregoing reasons, respectfully requests the Commission to consent to a reduction to the financial security required of PNE, from the \$200,000 called for under Order No. 25,492, to the \$100,000 required under Puc 2003, and to grant such other and further relief as may be just and equitable.

RESPECTFULLY SUBMITTED,  
PNE Energy Supply LLC  
by its Attorney,

Dated: February 7, 2013

**/s/ James T. Rodier**  
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**CERTIFICATION**

I hereby certify that I have sent a copy of the foregoing Motion by email to all of the parties on the Commission’s service for this proceeding.

**/s/ James T. Rodier**