

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: September 26, 2013**AT (OFFICE):** NHPUC
FROM: David Goyette, Utility Analyst III**SUBJECT:** DM 13-027 Twin Cities Power, LLC d/b/a Town Square Energy
Registration as Competitive Electric Power Supplier**TO:** Commission
Debra Howland, Executive Director

On January 24, 2013, Twin Cities Power, LLC d/b/a Town Square Energy (Town Square) filed an application to register as a competitive electric power supplier (CEPS). On February 2, 2013, Town Square requested an extension of time in order to obtain electronic data interchange (EDI) certification from default distribution utilities. On May 20, 2013, Town Square requested a further extension of time to complete EDI testing. On May 31, 2013, Commission Staff recommended approval of Town Square's extension request and, on June 7, 2013, the Commission granted the request. On July 29, 2013, Town Square filed a surety bond in the amount of \$100,000.00 with the Commission listed as obligee and a "continuous until cancelled" term. Because of the "continuous until cancelled" term, the bond does not meet the requirements of Puc 2003.03(a)(5), which requires a bond with a term of 5 years and 150 days. On July 30, 2013, Town Square requested a waiver of Puc 2003.03(a)(5), because it believes the term of the bond, which it asserts, is continuous, meets the spirit of the Commission requirement and is consistent with other bond documents it has filed as a CEPS. On July 30, 2013, in response to Staff's request, Town Square also submitted revisions to the terms and conditions of its standard residential and small commercial contract.

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 150-day requirement, that the Commission grant the registration for a term of 1 year, effective on the date of the Commission's approval letter. Staff also recommends, if the Commission grants the requested waiver, that the Commission notify Town Square that the financial surety rules are likely to change by September 2014 and that Town Square should monitor the rulemaking process and plan accordingly.

Town Square filed documentation that demonstrates it has completed EDI testing with Unitil Energy Services (UES). Staff, therefore, recommends the Commission approve Town Square's application to register as a CEPS, and that it permit the company to operate only in the service area of UES.

If Town Square 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 territory, and by providing proof that it has completed EDI testing with each distribution utility in whose service area it requests to operate. Staff will then review the request and make its recommendation to the Commission.