


NHPUC 12MAY14AM9:56

STATE OF NEW HAMPSHIRE**Inter-Department Communication****CONFIDENTIAL
MATERIAL
IN COMM FILE****DATE:** May 12, 2014**AT (OFFICE):** NHPUC**FROM:** Alexander F. Speidel, Staff Attorney **SUBJECT:** Docket No. DE 13-060, PNE Energy Supply, LLC
Staff Recommendation (With Confidential Attachment Page)**TO:** Commission, Executive Director

On February 10, 2014, PNE Energy Supply, LLC ("PNE"), a registered Competitive Electric Power Supplier ("CEPS"), filed a motion for modification of a term of the Settlement Agreement in the above-captioned DE 13-060 proceeding. Specifically, PNE seeks to modify the Settlement Agreement term that requires PNE to maintain a financial surety escrow account with \$200,000. PNE contends that the minimum \$100,000 surety level required by N.H. Code Admin. Rules PART Puc 2003 would now be appropriate, based on PNE's current level of sales as a CEPS. On March 24, 2014, the Commission, by secretarial letter, issued a request for additional information regarding PNE's request, to which PNE responded on March 28, 2014. PNE's response included an affidavit from Mr. August G. Fromuth, managing director of PNE, regarding PNE's completion of its Settlement Agreement requirement to make one-time customer payments.

PNE also included recent sales figures as part of its March 28, 2014 response, which are attached to the Confidential version of this memorandum as a Confidential Attachment. Having reviewed PNE's filings, including the sales figures, Staff believes that a reduction of PNE's surety requirements under PART Puc 2003 to \$100,000 would be appropriate at the present time, with the proviso that, as a condition of its approval, the Commission should require PNE to file updated sales figures as specified by Puc 2003.03(a)(2) every six (6) months, to ensure that an adequate level of financial surety is maintained for PNE in relation to its sales.

Cc: Service List

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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