

PENNSYLVANIA PUBLIC UTILITY COMMISSION  
Uniform Cover and Calendar Sheet

1. <b>REPORT DATE:</b> July 11, 2006	2. <b>BUREAU AGENDA NO.</b> JULY-2006-FUS-1046*
3. <b>BUREAU:</b> Fixed Utility Services	
4. <b>SECTION(S):</b> Energy	5. <b>PUBLIC MEETING DATE:</b> July 20, 2006
6. <b>APPROVED BY:</b> Director: Rosenthal 3-5242 Mgr/Spvr: Diskin PD 4-5558 Legal Review: [Signature]	<b>DOCUMENT FOLDER</b>
7. <b>PERSONS IN CHARGE:</b> Rodrock/Shurskis 3-6185	
8. <b>DOCKET NO.:</b> A-110170	<b>DOCKETED</b> OCT 06 2006

10. (a) **CAPTION** (abbreviate if more than 4 lines)  
(b) **Short summary of history & facts, documents & briefs**  
(c) **Recommendation**

- (a) License Application of Premier Power Solutions, LLC.  
(Home Office: Grove City, PA)
- (b) On May 8, 2006, Premier Power Solutions, LLC filed an application for a license to offer, render, furnish or supply electricity or electric generation services as a consultant to commercial, industrial and governmental customers in the service territories of Duquesne Light Company and Pennsylvania Power Company, within the Commonwealth of Pennsylvania.

The License Application is filed in accordance with the requirements of Section 2809 of the Public Utility Code, 66 Pa. C.S. §2809.

Premier Power Solutions, LLC requests a reduction in the amount of security bond pursuant to 66 Pa. C.S. Section 2809 and 52 Pa. Code Section 54.40(d).

- (c) The Bureau of Fixed Utility Services recommends that the Commission adopt the proposed Order.

11. **MOTION BY:** Commissioner Chm. Holland  
**SECONDED:** Commissioner Cawley  
Commissioner Shane - Yes  
Commissioner Pizzigrilli - Yes  
Commissioner Fitzpatrick - Yes

**CONTENT OF MOTION:** Staff recommendation adopted.



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P.O. BOX 3265, HARRISBURG, PA 17105-3265  
July 26, 2006

REFER TO OUR FILE

A-110170

LEE MCCRACKEN PRESIDENT  
PREMIER POWER SOLUTIONS LLC  
289 NUTT ROAD  
GROVE CITY PA 16127-6041

DOCUMENT  
FOLDER

License Application of Premier Power Solutions, LLC for approval to begin to offer, render, furnish or supply electric or electric generation services to the public in the service territories of Duquesne Light Company and Pennsylvania Power Company within the Commonwealth of Pennsylvania.

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To Whom It May Concern:

This is to advise you that an Order has been adopted by the Commission in Public Meeting on July 20, 2006 in the above entitled proceeding.

An Order has been enclosed for your records.

Very truly yours,

James J. McNulty  
Secretary

Enclosure  
Certified Mail  
LJM

DOCKETED  
OCT 29 2007

PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
Harrisburg, PA 17105-3265

Public Meeting held July 20, 2006

Commissioners Present:

Wendell F. Holland, Chairman  
James H. Cawley, Vice Chairman  
Bill Shane  
Kim Pizzingrilli  
Terrance J. Fitzpatrick

DOCUMENT  
FOLDER

License Application of Premier Power Solutions,  
LLC for Approval to Offer, Render, Furnish  
or Supply Electricity or Electric Generation Services  
as a Consultant

Docket No.  
A-110170

ORDER

DOCKETED  
OCT 29 2007

**BY THE COMMISSION:**

On May 8, 2006, Premier Power Solutions, LLC ("Premier") filed an application seeking to become a licensed electric generation supplier ("EGS") in the service territories of Duquesne Light Company and Pennsylvania Power Company, within the Commonwealth of Pennsylvania. The application was filed pursuant to the Commission's regulations at 52 Pa. Code §§ 54.31-54.43, which became effective on August 8, 1998, and which were established under Section 2809 of the Public Utility Code, 66 Pa. C.S. §2809.

§2809 provides in pertinent part that:

License Requirement.--No person or corporation,  
including municipal corporations which choose to provide

service outside their municipal limits except to the extent provided prior to the effective date of this chapter, brokers and marketers, aggregators and other entities, shall engage in the business of an electric generation supplier in this Commonwealth unless the person or corporation holds a license issued by the Commission. 66 Pa. C.S. §2809.

An electric generation supplier is defined as:

A person or corporation, including municipal corporations which choose to provide service outside their municipal limits except to the extent provided prior to the effective date of this chapter, brokers and marketers, aggregators or any other entities, that sells to end-use customers utilizing the jurisdictional transmission and distribution facilities of an electric distribution company, or that purchases, brokers, arranges or markets electricity or related services to end-use customers utilizing the jurisdictional transmission and distribution facilities of an electric distribution company. 66 Pa. C.S. §2803.

Premier is a foreign limited liability company, incorporated on March 24, 2005, in the State of Delaware, and registered to do business in the Commonwealth of Pennsylvania as of May 16, 2005. Premier proposes to provide consulting services regarding electricity supply and generation services to commercial, industrial and governmental customers in the service territories of Duquesne Light Company and Pennsylvania Power Company, within the Commonwealth of Pennsylvania. Currently, Premier does not intend to provide consulting services to residential customers. Therefore, Chapter 56 residential service regulations do not apply.

However, if Premier chooses to provide consulting services to residential customers in the future, Premier will notify the Commission Secretary by letter immediately and be required to comply with, and be governed by, applicable Chapter 56 residential service regulations as set forth in the Commission Order *Guidelines for Maintaining Customer Service at the Same Level of Quality Pursuant to 66 Pa. C.S.*

*§2807(d), Assuring Conformance with 52 Pa. Code Chapter 56 Pursuant to 66 Pa. Code Chapter 56 Pursuant to §2809(e) and (f) and Addressing the Application of Partial Payments (M-00960890 F0011).* Thus, we deem it appropriate to reiterate certain items with respect to Chapter 56 of our regulations. Chapter 56 (52 Pa Code Chapter 56) is applicable to residential accounts. An electric generation supplier cannot physically disconnect a residential customer from the electricity grid; therefore, the rules relating to residential service termination are not applicable to electric generation suppliers. An electric generation supplier may seek to terminate its generation service through an appropriate written notice to the customer and the distribution company. The residential customer can then attempt to repair their relationship with the supplier, seek a new supplier, or default to utility service at capped rates in accordance with the utility's obligations under Section 2807(e), 66 Pa. C.S. §2807(e). The customer would only be disconnected from the electricity grid pursuant to appropriate regulations if the customer failed to meet its obligations to the utility or the electric generation supplier that has been designated by the Commission as the provider of last resort.

Additionally, we take this opportunity to once again remind the licensee that its officers, representatives and employees have agreed to lawfully abide by all Commission regulations, procedures and orders, including Emergency Orders, which may be issued verbally or in writing during any emergency situations that may unexpectedly develop from time to time in the course of doing business in Pennsylvania.

Premier has provided proofs of publication in Pennsylvania newspapers and proofs of service to the interested parties as required by the Commission.

Regarding the financial and technical requirements of the license application, Premier states that because it is a new company it does not have published and/or audited financial statements. Premier has supplied information, which indicates

that its President, its primary employee, has recent and significant experience as the Chief Financial Officer/Vice President of Finance/Vice President of Corporate Development of another licensed Pennsylvania EGS. Sufficient information has been provided by Premier to demonstrate its financial and technical fitness in order to be licensed as a consultant in the Commonwealth of Pennsylvania.

Premier did not provide a \$250,000 bond as required by the license application; however, it did provide a letter of credit in the amount of \$10,000 and requests that the Commission reduce its security requirement from \$250,000 to \$10,000. In support of this request, Premier explains that it has requested an EGS license to become EDI certified with the utilities, in order to be able to efficiently and effectively obtain electricity usage information for the customers to whom it provides consulting services. Premier intends to utilize the information to help its customers reduce their overall spending for electricity. Premier also states that it will not take title to power.

The Commission believes that the reasoning on which Premier based its request for a bond reduction from \$250,000 to \$10,000 is similar to that offered by the other EGSs that have successfully petitioned the Commission for a bonding level of \$10,000. Two of the EGSs are Energy Management Resources of Missouri, Inc. ("EMR"), at Docket No. A-110101, whose request was granted August 7, 2003, and Co-eXprise, Inc. ("Co-eX"), at Docket No. A-110166, whose request was granted January 20, 2006. In the case of EMR, the company stated that it operated solely as a consultant that assists its clients in understanding and effectively making the selection of third party electricity suppliers, does not purchase or take title to electricity, and is not responsible for adding and collecting gross receipts taxes. In the case of Co-eX, the company explained that, as a consultant, it will provide its customers with an evaluation and selection process from which to select the best positioned licensed electricity supplier/generator and award business. The Commission believes that Premier operates in a similar manner and therefore should be granted similar

relief and be permitted to provide a bond or other approved security in the reduced amount of \$10,000.

Premier has provided the required Pennsylvania Emergency Management Agency (“PEMA”) contact information.

As of July 11, 2006, no protests have been filed.

We find that the applicant:

1. Is fit, willing and able to properly perform the service proposed in conformance with applicable provisions of the Public Utility Code and lawful Commission orders and regulations, specifically including 52 Pa. Code Chapter 56 (relating to Standards and Billing Practices for Residential Utility Service).
2. Has agreed to lawfully abide by all Commission regulations, procedures and orders, including Emergency Orders, which may be issued verbally or in writing during any emergency situations that may unexpectedly develop from time to time in the course of doing business in Pennsylvania.
3. That the proposed service, to the extent authorized by the license, will be consistent with the public interest and the policy declared in *the Electricity Generation Customer Choice and Competition Act*.

Upon full consideration of all matters of record, we find that approval of this application is necessary and proper for the service, accommodation and convenience of the public; **THEREFORE,**

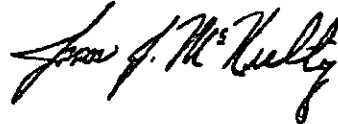
**IT IS ORDERED:**

1. That the application of Premier Power Solutions, LLC is hereby approved, consistent with this Order.
2. That Premier Power Solutions, LLC's request for a reduction in the bond level from \$250,000 to \$10,000 is hereby granted.
3. That the security amount of \$10,000 shall remain in effect for Premier Power Solutions, LLC as long as Premier Power Solutions, LLC does not expand its limited licensed activities beyond energy consulting.
4. That a license be issued authorizing Premier Power Solutions, LLC to begin to offer, render, furnish or supply electric generation supplier services to the public in the service territories of Duquesne Light Company and Pennsylvania Power Company, within the Commonwealth of Pennsylvania, as specified in the Order.
5. That prior to expanding its limited licensed activities beyond energy consulting, Premier Power Solutions, LLC shall submit a replacement bond or other approved security in an amount required by 52 Pa. Code §54.40, or other applicable Commission order.



6. That this proceeding at Docket No. A-110170 be closed.

**BY THE COMMISSION,**



James J. McNulty  
Secretary

(SEAL)

ORDER ADOPTED: July 20, 2006

ORDER ENTERED: **JUL 26 2006**

2. Article Number



7160 3901 9843 2780 8147

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee)  Yes

1. Article Addressed to:

A-110170  
Lee McCracken

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly) B. Date of Delivery

Michael Monahan 2-27-07

C. Signature

*[Signature]*  Agent Addressee

D. Is delivery address different from item 1?  Yes  No  
If YES, enter delivery address below: