

OFFICIAL FILE
ILLINOIS COMMERCE COMMISSION

ORIGINAL

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Priority Power Management, LLC

Application for Licensure of
Agents, Brokers, and Consultants
under Section 16-115C
of the Public Utilities Act.

Docket No.

11-0304

APPLICATION

Priority Power Management, LLC ("Applicant"), hereby requests that the Illinois Commerce Commission ("Commission") grant it a license pursuant to Section 16-115C of the Public Utilities Act ("Act"). In support of its application, Applicant states as follows:

GENERAL [454.40, 454.50, 454.100]

- 1. Applicant's name and street address.

Priority Power Management, LLC
310 W Wall St. Suite 500
Midland, Texas 79701

- 2. Related Information:

- Type of business entity: Limited Liability Company (LLC)
- Jurisdiction in which and under whose laws business entity was created: Texas
- Other names under which Applicant does business (D/B/A): Not Applicable (n/a)

- 3. Contact Persons for the following:

- a) Issues related to processing this application and
- b) Issues related to complaint resolution (454.130)

Provide each contact person's name, title, mailing address, telephone number, and e-mail address for a) and b).

- a) Brad Trietsch
Director of Account Services
2080 N. State Hwy 360, Suite 360
Grand Prairie, Texas 75050
Ofc (972) 314-9041, Fax (866) 472-8789
btrietsch@prioritypower.net
- b) John Bick
Managing Principal
2080 N State Hwy 360, Suite 360
Grand Prairie, Texas 75050
Ofc (972) 314-9040, Fax (866) 472-8789
jbick@prioritypower.net

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4. Description of Applicant's business. [454.40(c)(1)]

Priority Power Management (PPM) is an independent energy management and consulting services firm, whose purpose is to act as an extension of the clients' staff, mitigating risk and overcoming the challenges associated with energy supply, information data and load management. PPM utilizes its unsurpassed commitment, experience, and resources to deliver substantial positive financial and environmental results to our clients.

5. A statement in support of application (including supporting documents, and schedules if necessary) certifying the applicant meets the requirements of Section 16-115C of the Act. [454.40(d)(1)]

Priority Power Management meets the requirements of Section 16-115C of the Act [454.40(d)(1). To the extent possible, PPM's competence, professionalism and financial responsibility have been detailed in the attached exhibits.

6. The name, address, telephone number, any facsimile number and any e-mail address of the agent registered with the Illinois Secretary of State. This information shall be kept current and any change regarding the licensee shall be reported within 15 days after the change occurs. The required information shall be filed with the Chief Clerk of the Commission at its Springfield office. [454.40(c)(3)]

InCorp Services, Inc.
2360 Corporate Circle, Suite 400, Henderson, NV 89074-7722
Ofc (702) 866-2500, Fax (702) 866-2689
info@incorp.com

7. A statement to disclose whether the Applicant is licensed as an agent, broker or consultant in any other jurisdictions, similar to the licensure required under Section 16-115C of the Illinois Public Utilities Act. Additionally, the Applicant is directed to disclose whether it has had any complaints filed against it for its provision of any services in the electric or gas industry in this or any other jurisdiction. If yes, the Applicant is directed to include in its response the nature of the complaint, the jurisdiction, and the ultimate resolution.

Priority Power Management is currently registered with the PUC of Texas (ID No. 80011, Tracking Number EL020111) to operate in the Electric Reliability Council of Texas (ERCOT) service area. ERCOT manages the flow of electric power to 22 million Texas customers - representing 85 percent of the state's electric load and 75 percent of the Texas land area. As the independent system operator for the region, ERCOT schedules power on an electric grid that connects 40,000 miles of transmission lines and more than 550 generation units. PPM also has plans to obtain licensure and registration with other states having deregulated power and gas markets, application is currently pending approval in Ohio.

No complaints have been filed against PPM in the state of Illinois or any other jurisdiction that it currently operates in.

8. Applicant certifies that it:
- a) is licensed to do business in the State of Illinois and is in compliance with all other applicable laws, regulations and Commission rules and orders; [454.40(c)(2)]
 - b) shall comply with all terms and conditions required by Section 16-115C of the Act; [454.40(d)(2)]
 - c) shall ensure any person who acts on behalf of the entity will comply with all sections of Part 454 applicable to the function or functions to be performed; [454.40(d)(3)]
 - d) shall remain in compliance with the provisions of the Act and Part 454; [454.50]
 - e) shall ensure that authorizations received from customers, and all other applicable records are retained for a period of not less than three calendar years after the calendar year in which they were created; and [454.100(a)]
 - f) shall preserve the confidentiality of its customers' data. [454.100(b)]

MANAGERIAL LICENSING QUALIFICATIONS [Section 454.60]

9. Applicant meets the managerial qualifications set forth in Part 454.60, as demonstrated in **Attachment 'A'**. Attachment 'A' includes an **exhibit (A-1)** containing a corporate organizational chart and identifying the persons who are being used to meet the requirements of Part 454.60(a). Attachment 'A' includes **exhibit (A-2)** containing occupational background information on the person or persons who are being used to meet the requirements of Part 454.60(a). [Attachment should include narrative and/or resume of key personnel showing clearly how the managerial experience requirement is being met.]

TECHNICAL LICENSING QUALIFICATIONS [Section 454.70]

10. Applicant meets the technical qualifications set forth in Part 454.70, as demonstrated in **Attachment 'A'**. Attachment 'A' includes **exhibit (A-2)** containing occupational background information on the person or persons who are being used to meet the requirements of Part 454.70(a). [The attachment shall identify the persons who are being used to meet each of the requirements of Part 454.70. Attachment should include narrative and/or resumes of key personnel showing clearly how the technical experience requirement is being met.]

FINANCIAL LICENSING REQUIREMENTS [SECTION 454.80]

11. Applicant is required to execute and maintain a license or permit bond in the name of the People of the State of Illinois issued by a qualifying surety or insurance company authorized to transact business in the State of Illinois. The amount of the bond shall equal \$5,000. [Attach (please see **Attachment 'B'**) the license or permit bond required by Part 454.80(a) and proof that the surety meets the definition of "qualifying surety" as set forth in Part 454.10.]

[Department of the Treasury's Listing of Approved Sureties (Department Circular 570) (<http://www.fms.treas.gov/c570/c570.html>)]

CODE OF CONDUCT [SECTION 454.90]

12. Applicant certifies that it shall:

- a) Disclose in plain language in writing the nature of the services offered by **Priority Power Management**;
- b) Disclose in plain language in writing to all persons it solicits the total anticipated remuneration to be paid to it by any third party over the period of the proposed underlying customer contract. Any such disclosure must be made prior to entering into the contract and signed by the customer;
- c) Not hold itself out as independent or unaffiliated with any RES, or both, or use words calculated to give that impression, unless the person or entity offering service under this Section 16-115C of the Act has no contractual relationship with any RES or its affiliates regarding retail electric service in Illinois;
- d) Not utilize false, misleading, materially inaccurate, defamatory, or otherwise deceptive language or materials in the soliciting or providing of its services;
- e) Maintain copies of all marketing materials disseminated to third parties for a period of not less than three years;
- f) Maintain copies of all disclosure statements required in subsections (a) and (b) for a period of not less than three years;
- g) Not present electricity pricing information in a manner that favors one supplier over another, unless a valid pricing comparison is made utilizing all relevant costs and terms; and
- h) Comply with the requirements of Sections 2EE, 2FF, 2GG, and 2HH of the Consumer Fraud and Deceptive Business Practices Act [815 ILCS 505/2EE, 2FF, 2GG, and 2HH].

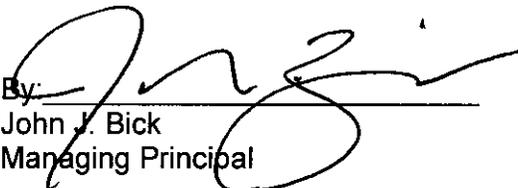
REPORTING REQUIREMENTS [SECTION 454.110]

13. Applicant agrees to submit reports in accordance with annual reporting requirements. [454.110]

WHEREFORE, Applicant requests that the Commission grant its application for licensure as an agent, broker, or consultant to engage in the procurement or sale of retail electricity supply for third parties.

Respectfully submitted,

Priority Power Management, LLC

By: 
John J. Bick
Managing Principal

Robert Buckner
Robert P. Buckner Law Offices
64 West Elm, Hillsboro, Texas 76645
Ofc (254) 205-3484

Mob (214) 957-0310

robertbucknerlaw@yahoo.com

VERIFICATION

STATE OF TEXAS
COUNTY OF DALLAS

John J. Bick, being first duly sworn, deposes and says that he is the Managing Principal for Priority Power Management, LLC (Applicant); that he has read the foregoing Application of Applicant, and all of the attachments accompanying and referred to within the Application; and that the statements contained in the Application and the attachments are true, correct and complete to the best of his knowledge, information and belief.


John J. Bick, Managing Principal

Subscribed and sworn to before me this 29th day of March, 2011.


Notary Public, State of Texas

[Stamp of Notary]



Attachment A

In compliance with Sections 454.60 (managerial qualifications) and 454.70 (technical qualifications), **Priority Power Management, LLC (PPM)** submits **exhibit A-1** representing PPM's organizational structure and **exhibit A-2** containing occupational backgrounds of employees.

Exhibit A-2

Priority Power Management is an independent energy management and consulting services firm, acting as an extension of our clients' staff, commissioned to mitigate the risk and challenges associated with energy supply, information, and demand management. Contracted services are typically for a specified term and do not include the provision of energy invoicing services or the origination of billing statements. As such PPM may assist customers with inquiries related to invoicing but these are ultimately the responsibility of the appropriate originator.

PPM's experience is extensive and a majority can be attributed to the following members of a core team.

John Bick is the Managing Principal of Priority Power Management and has over 18 years of energy experience. His broad and extensive business experience provides knowledge and insight to companies seeking value-creation in energy-related non-core competencies.

Brian Craig is a Senior Director at Priority Power Management. Brian has over 28 years of experience in both the regulated and deregulated energy markets. He joined Priority Power Management in 2005 and is responsible for managing energy supply for both gas and electricity for large commercial and industrial clients.

Kevin Yung is COO and Chief Risk Officer and has 25-years of energy industry experience. He directly manages wholesale energy procurement (natural gas and electricity), oversees and performs load forecasting and scheduling, and manages energy price risk at a portfolio level.

Padraig (Pat) Ennis is the Founder and a Principal of Priority Power Management. He has over 24 years of energy experience and was a driving force in enabling commercial and industrial clients to receive benefits through aggregation in the ERCOT power market.

Perry Ruthven is the Managing Director of Priority Power Management in Houston, Texas. Drawing from a career that has cut across multiple industries including Energy, Technology, Logistics, Banking, and Insurance, Perry brings a wealth of knowledge and market experience to lead Priority Power Management's Houston Region.

Trenton Cogdill is Vice President and has over 35 years of experience in the electric energy industry. Mr. Cogdill has held a number of management positions in virtually every operational department of one of the largest electric utilities in the nation, TXU Energy.

Tommy Greer is Vice President of National Accounts with 20 years energy industry experience working with utilities, Local Distribution Companies, energy suppliers, energy service companies and energy users.

Worth Davis, Jr. is the Senior Energy Consultant of Priority Power Management in Houston, Texas. His broad and extensive business experience provides knowledge and insight to companies seeking value added approaches to the energy side of their businesses.

Susie Cook is an Energy Consultant for Priority Power Management, working directly with commercial and industrial clients to develop strategies and deliver value through a structured energy supply management approach. Prior to joining Priority Power Management, Susie spent 19 years in both the regulated and deregulated energy industries.

Jeff Brooks is a Senior Procurement Analyst with over 24 years of energy experience. Jeff very versed in the detailed analysis of load shapes, pricing, cost analysis, procurement, negotiation and bill auditing.

Gayla Wigley is Assistant Vice President of Operations and Customer Services at Priority Power Management. She has responsibility for the overall supervision of internal back-office processes and customer service.

Pam Mancha is a Senior Energy Analyst with over 30 years of experience. Prior to Priority Power Management, Pam held various roles at TXU Electric Delivery and its predecessor companies.

Brad Trietsch is Director of Account Services and also manages special projects. His career began with Texas Power & Light in 1982 and has evolved while serving in capacities such as Customer Service, Design Engineering, Account Management and Key Account Sales. His contributions as Project Manager were crucial when TXU Energy transitioned to a deregulated market in 2002.

Robert Buckner is Priority Power's Attorney and has worked with utility legal and contractual issues in the state of Texas since 1975. He has been actively involved with electricity sales contracts since the Texas market was deregulated in January 2002, gaining extensive experience with retail contract provisions, the assignments and renegotiations of contracts, letters of authority and representation, corporate guarantees, and credit, trading and market risk issues.

The services offered to clients are focused around PPM's core business of Energy Supply and Risk Management. Our methodologies have been developed and refined through years of personal energy experience that is focused in the people working directly with our clients. Our service's includes the following subject areas:

- Energy Data Management
- Energy Acquisition Management
- Energy Account Management
- Energy Billing Management

To begin the process of delivering these services, Priority Power Management typically gathers a minimum of 12 months historical usage for each meter and when available, utilizes the interval data to further define the load history and shape for pricing. After the raw data has been compiled, a review of the data will be conducted to

define and correct any questionable data. This data analysis is critical in determining the most suitable structuring and pricing options that will deliver the lowest cost to the client.

Priority Power Management manages the electricity spend on a portfolio basis driven by strategies discussed and agreed to by the client. Various strategies will be developed and deployed based on several factors including the following:

- Budgetary constraints
- Growth expectations
- Required flexibility to account for the unexpected
- Decision making process – individual or by committee
- Agreement term requirements
- Key individuals
- Financial constraints
- Risk Profile

Once a strategy has been determined, a Request for Proposal is developed for the solicitation. Priority Power Management is very experienced in developing, soliciting and negotiating large scale energy purchases.

A professional and detailed RFP document will be developed that includes detailed electricity pricing instructions for the products and terms that were defined in the Strategy phase.

Next a list of qualified certified Retail Electricity Providers (REP) will be developed for RFP distribution. Priority Power Management has experience working with over 20 REPs in various markets and is able to assist our clients in developing a qualified list of bidders. Because of our deep energy experience, Priority Power Management also provides insight into the REP landscape for our clients.

After the procurement process has been completed, Priority Power Management moves into a Contract Management phase that includes the following activities:

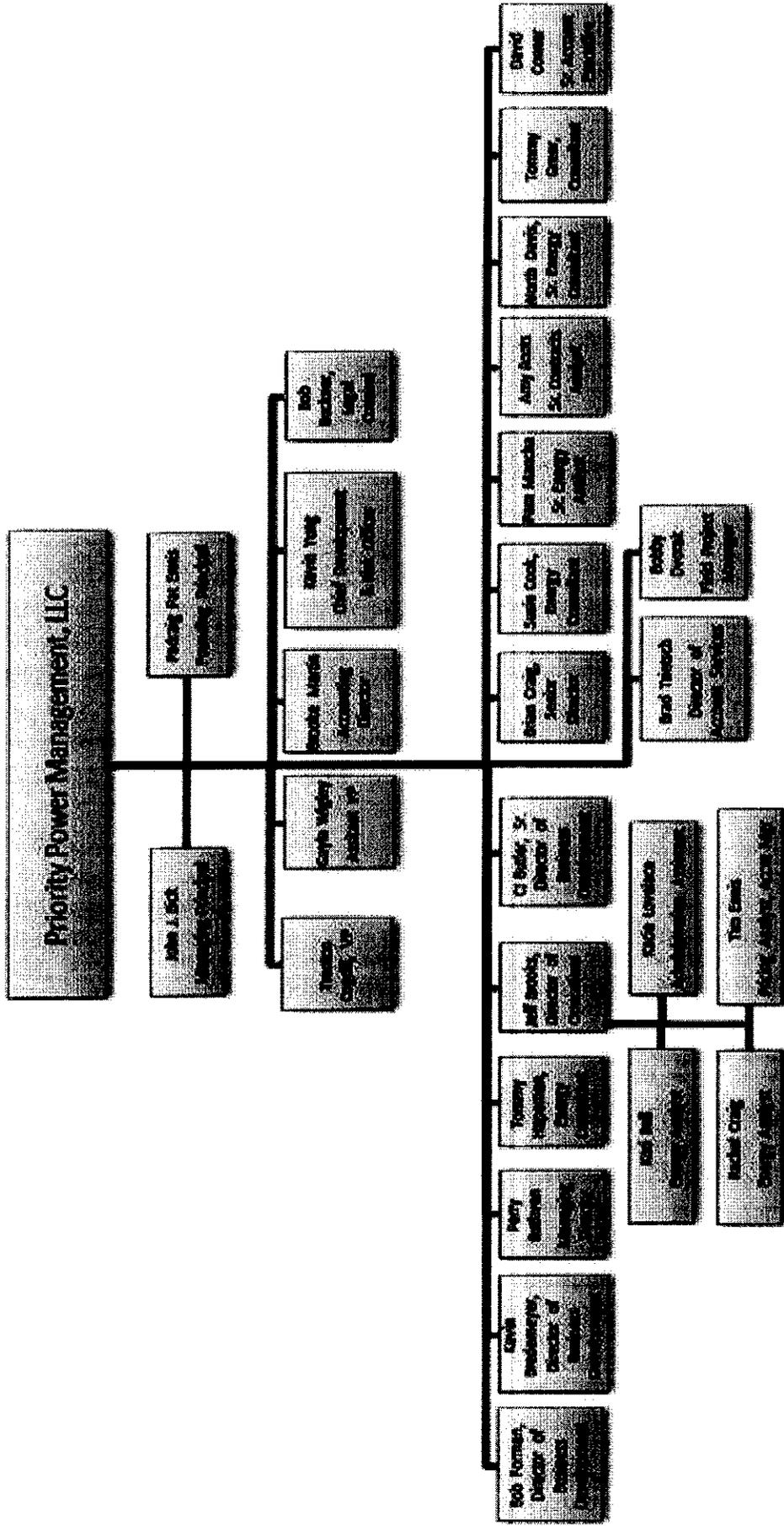
- Monitoring timely switching of accounts;
- Auditing invoices for compliance with contract terms;
- Providing assistance to the client in any Supplier issue resolution process;
- Administration of adding and deleting accounts as necessary;
- Facilitating emergency restoration during unplanned power outages.
- Provide the client with estimated annual budgets and or ongoing performance metrics.

In addition to the Contract Management activities and after procurement, Priority Power Management also initiates the Portfolio Management phase which includes the following activities:

- Provide the client with market reports highlighting market events and pricing levels on a periodic basis;
- Provide the client with price discovery by querying market suppliers to ensure incremental energy purchases are at market price;
- Maintain a customized hedging position report for the client outlining various purchases and risk positions, if applicable;
- Perform continuous market outlook and forward price discovery to meet the client's specific trigger levels;
- Analyze "blend & extend" opportunities to meet desired budget goals;
- Adjust strategies as needed to meet changing client goals and market environment.

These strategies and tactics are focused on the client's specific needs and define the intrinsic opportunities that can result from a well-managed portfolio.

Exhibit A-1





Old Republic Surety Company

BOND NO. W150059457

LICENSE BOND

KNOW ALL MEN BY THESE PRESENTS, That we PRIORITY POWER MANAGEMENT LLC
310 W WALL ST STE 500 MIDLAND, TX 79701

as Principal, and Old Republic Surety Company organized under the laws of the state of
Wisconsin, as Surety, are held and firmly bound unto
THE PEOPLE OF THE STATE OF ILLINOIS OF SPRINGFIELD, IL

as Oblige in the sum of Five Thousand Dollars (\$5,000.00)
lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, our heirs, executors, administrators,
successors and assigns, jointly and severally, firmly, by these presents.

WHEREAS, the said Principal has applied to said Oblige for a license to or permit as a
to operate as Priority Power Mgmt

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, That if the said Principal shall indemnify said Oblige against
all loss which the Oblige may be subject by reason of said Principal's non-compliance caused by said Principal's breach of any ordinance,
rule or regulation relating thereto, then the above obligation shall be void, otherwise to be and remain in full force and effect.

This obligation may be canceled by said Surety by giving thirty (30) days notice in writing of its intention to do so to said Oblige;
and provided further, that nothing herein shall affect any rights or liabilities which shall have accrued under this bond prior to the date
of termination; and the said Surety shall be relieved of any further liability under this bond thirty (30) days after receipt of said notice
by the said Oblige.

The term of this bond is for a period commencing May 13, 2010
and terminating May 13, 2011 provided, however, this bond may
be continued from year to year by continuation certificate executed by said Surety.

Signed, sealed and dated the 13th day of May, 2010.

PRIORITY POWER MANAGEMENT LLC
Principal
By [Signature]

Old Republic Surety Company
By [Signature]
J. David Mims Attorney-in-fact



POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That OLD REPUBLIC SURETY COMPANY, a Wisconsin stock insurance corporation, does make, constitute and appoint: J. David Mims Of MIDLAND, TX

its true and lawful Attorney(s)-in-Fact, with full power and authority, not exceeding \$10,000,000, for and on behalf of the company as surety, to execute and deliver and affix the seal of the company thereto (if a seal is required), bonds, undertakings, recognizances or other written obligations in the nature thereof, (other than bail bonds, bank depository bonds, mortgage deficiency bonds, mortgage guaranty bonds, guarantees of installment paper and note guaranty bonds, self-insurance workers compensation bonds guaranteeing payment of benefits, asbestos abatement contract bonds, waste management bonds, hazardous waste remediation bonds or black lung bonds), as follows: Effective Date: 5/13/2010 12:00:00 AM

Bond Number: W150059457

Bond Amount: Five Thousand Dollars (\$5,000.00)

Principal Name: PRIORITY POWER MANAGEMENT LLC

Obligee Name: THE PEOPLE OF THE STATE OF ILLINOIS OF SPRINGFIELD, IL

and to bind OLD REPUBLIC SURETY COMPANY thereby, and all of the acts of said Attorneys-in-Fact, pursuant to these presents, are ratified and confirmed. This appointment is made under and by authority of the board of directors at a special meeting held on February 18, 1982.

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following resolutions adopted by the board of directors of the OLD REPUBLIC SURETY COMPANY on February 18, 1982.

RESOLVED that the president, any vice president or assistant vice president, in conjunction with the secretary or any assistant secretary, may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the company to execute and deliver and affix the seal of the company to bonds, undertakings, recognizances, and suretyship obligations of all kinds; and said officers may remove any such attorney-in-fact or agent and revoke any Power of Attorney previously granted to such person.

RESOLVED FURTHER that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company

- (i) when signed by the president, any vice president or assistant vice president, and attested and sealed (if a seal be required) by any secretary or assistant secretary; or
- (ii) when signed by the president, any vice president or assistant vice president, secretary or assistant secretary, and countersigned and sealed (if a seal be required) by a duly authorized attorney-in-fact or agent; or
- (iii) when duly executed and sealed (if a seal be required) by one or more attorneys-in-fact or agents pursuant to and within the limits of the authority evidenced by the Power of Attorney issued by the company to such person or persons.

RESOLVED FURTHER that the signature of any authorized officer and the seal of the company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the company; and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, OLD REPUBLIC SURETY COMPANY has caused these presents to be signed by its proper officer, and its corporate seal to be affixed this 13th day of May, 2010


Assistant Secretary



OLD REPUBLIC SURETY COMPANY


Gerald C. Leach

STATE OF WISCONSIN, COUNTY OF WAUKESHA - SS

On this 13th day of May, 2010, personally came before me, Gerald C. Leach and Rick A. Johnson, to me known to be the individuals and officers of the OLD REPUBLIC SURETY COMPANY who executed the above instrument, and they each acknowledged the execution of the same, and being by me duly sworn, did severally depose and say: that they are the said officers of the corporation aforesaid, and that the seal affixed to the above instrument is the seal of the corporation, and that said corporate seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority of the board of directors of said corporation.




Notary Public

My Commission Expires: 12/2/2012 12:00:00 AM

CERTIFICATE

I, the undersigned, assistant secretary of the OLD REPUBLIC SURETY COMPANY, a Wisconsin corporation, CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore, that the Resolutions of the board of directors set forth in the Power of Attorney, are now in force.

0890636



Signed and sealed at the City of Brookfield, WI this 13th day of May, 2010


Assistant Secretary

ORSC 22282 (3-08)

MIMS & SMITH INS. ASSOCIATES