

# American PowerNet

ORIGINAL

**OFFICIAL FILE**  
**ILLINOIS COMMERCE COMMISSION**  
April 5, 2012

Chief Clerk  
Illinois Commerce Commission  
527 East Capitol Avenue  
Springfield, Illinois 62701

12-0216

Response

CHIEF CLERK'S OFFICE

2012 APR 11 P 2:30

ILLINOIS COMMERCE  
COMMISSION

Re: Notice of Administrative Law Judge's Ruling

Dear Chief Clerk,

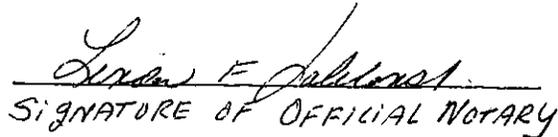
Below is American PowerNet Management, LP's official response to the Administrative Law Judge preliminary review of our ARES application.

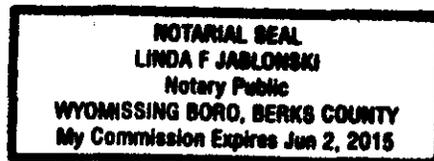
Regards,



Scott Helm  
President

SWORN AND SUBSCRIBED BEFORE ME this 5th DAY OF APRIL, 2012.  
WITNESS MY HAND AND SEAL.

  
SIGNATURE OF OFFICIAL NOTARY



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# American PowerNet

## General Licensing Requirements

Subsection 451.30(a) of the Code requires Applicant to "publish a notice of its application in the Official State Newspaper within 10 days following the filing of the application for certification." Furthermore, Subsection 451.30(a) of the Code requires Applicant to "file proof of publication with the Clerk of the Commission within 5 days after publication."

Applicant indicated that it would comply with Subsection 451.30(a), although it has not as of the date of this ruling. The Applicant is hereby directed to show that it has complied with Subsection 451.30(a).

American PowerNet Management, LP has complied with Subsection 451.30(a) within the required timeline. We published in the Breeze Courier on March 27<sup>th</sup> 2012. An original copy was sent overnight through FedEx to the Chief Clerk on March 29<sup>th</sup> 2012. **See attached Attachment A below for a copy of what was sent to the ICC on March 29<sup>th</sup> 2012.**

## Miscellaneous Licensing Requirements

The Applicant is directed to disclose in which states it is licensed as an alternative retail electric supplier.

American PowerNet Management, LP is a licensed alternative retail electric supplier in the following states:

Pennsylvania, New Jersey, Maryland, Delaware, Ohio, Massachusetts, and Maine.

## Managerial Licensing Requirements

Per Section 451.340, an applicant shall be deemed to possess sufficient managerial capabilities to serve retail customers identified in this Subpart if, in management positions, it has:

- 1) Three or more individuals with four or more years experience with enterprise financial and administration responsibilities including profit and loss responsibilities,
- 2) Three or more individuals with four years experience buying and selling power and energy in wholesale markets, and
- 3) Three or more individuals with four years electric system operational experience

Applicant included Attachment E that provided background information on individuals that Applicant intends to use to satisfy the requirements of Section 451.340, however, that information did not include enough details on those individuals' managerial experience. Applicant is directed to provide the following information:

- 1) For each individual that Applicant intends to use to satisfy the requirements of Section 451.340, Applicant should list each company/business, which employed the individual, and identify the duration of employment by "month/year" to "month/year."
- 2) For each individual that Applicant intends to use to satisfy the requirements of Section 451.340 at each company/business, identify the individual's specific job duties.

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## 1. Profit and Loss Responsibilities

### Scott Helm

#### American PowerNet ( June 2002- Present)

- President.
- Certifies American PowerNet's Financials for annual audits.
- Manages the companies credit portfolio. Works with counterparties to secure lines of credit, bonds, and other financial sureties.

#### EA&C Consulting (1991- June 2002)

- Owner/President of EA&C Consulting. Responsible for expense and audit reports to clients.

### Gene Carter

#### American PowerNet (October 2009- Present)

- Providing direct oversight of enterprise finance, accounting, compliance and financial reporting. Also providing direct support and assistance to all members of the American PowerNet companies as needed. Reports to the President.

#### The Reading Hospital (June 1986- February 2009)

- Directed all general accounting, accounts payable and payroll functions. Also provided direct support to all areas of organizational operations and initiatives. Led or participated in planning and coordination of facility expansions and service line extensions. Key member of operation and capital budgeting team.

#### KPMG ( June 1983- May 1986)

- Certified Public Accountant. Lead and participated in annual financial and compliance audits of banking, manufacturing, higher education, government, distribution and healthcare clients.

### Linda Jablonski

#### American PowerNet (January 2002-Present)

- Manages wire payments to ISO's, EDC's, and counterparties.

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# American PowerNet

- Manages daily receivables, payables and collections.
- Oversees internal books.
- Manages all utility commission and federal filings.

## Soverign Bank (June 1979 - December 2001)

- Responsible for regulatory reporting relating to municipal bonds.
- Assisted in writing bond language with attorney oversight.
- Assistant to a top regional banker for a number of years.

## **2. Buying and Selling in Wholesale Markets**

### **David Butsack**

#### **American PowerNet ( June 2002- Present)**

- Vice President.
- Manages team members in the following duties: daily load scheduling, load forecasting, billing reconciliation, demand bidding, load response, capacity markets, FTR's, and EDI communications.
- Responsible for energy portfolio hedging activities for wholesale power and ancillaries for customer purchases in PJM, MISO, ISO-NE, and ERCOT.
- Accountable for analyzing and monitoring power portfolio positions.
- Responsible for monitoring ISO/RTO market rules, procedures and plans to determine impact on business model.
- Responsible for optimizing the statistical forecasting of power market prices for various regions, financially analyzing various power transactions, and preparing market reports showing key market drivers/developments, price trends and impact on business model.
- Responsible for tariff compliance, FERC filings, EPA filings, NERC Compliance.

#### **EA&C Consulting (1991- June 2002)**

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[www.americanpowernet.com](http://www.americanpowernet.com)

# American PowerNet

- VP for Scott Helm.
- Responsible for utility bill audits and analysis.
- Responsible for Negotiating Utility Contracts

## **Brian Vayda**

### American PowerNet (January 2005- Present)

- Vice President.
- Responsible for optimizing portfolio management trading strategy in PJM virtual markets.
- Responsible for hedging activities for wholesale power and ancillaries for customer purchases in PJM, MISO and ISO-NE.
- Accountable for analyzing and monitoring transmission system conditions to determine impact on FTR and virtual trading.
- Responsible for monitoring ISO/RTO market rules, procedures and plans to determine impact on business model.
- Responsible for optimizing the statistical forecasting of power market prices for various regions, financially analyzing various power transactions, and preparing market reports showing key market drivers/developments, price trends and impact on business model.

### Strategic Energy (November 2005- January 2005)

- Responsible for monitoring, influencing, and analyzing events and legislation within the energy industry that impact or have a potential effect on the Company's business model at FERC, Pennsylvania and New Jersey.
- Responsible for analyzing intricacies of market proposals and rules, participating in the process of developing market rules, and disseminating information to internal groups for competitive pricing analyses and other business issues prior to entering new competitive energy markets.
- Conducted analysis on cost discovery and calculation for new and existing markets.
- Assisted trading desk and structure desk in assessing potential impact of alternative wholesale procurement methods on company sales volume, profitability, risk profile and competitive position.

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# American PowerNet

## PJM Interconnection ( June 2001- November 2005)

- Supported project teams in design, development, implementation and testing of new energy settlement systems, products and processes.
- Managed SAS70 outside audit for Market Settlements Department.
- Assisted PJM legal department in Federal Energy Regulatory Commission filings.
- Provide analytical and/or systems expertise in PJM market settlements to internal and external customers.
- Conducted studies in order to develop and recommend new or revised systems, methods, or procedures that require a broad knowledge of the concepts, principles, theories and practices of PJM markets.
- Monitored and analyze the power flows of the PJM bulk power system with other power systems in the NERC interconnected eastern region to ensure reliability. Monitored virtual market bids/offers and FTR positions for PJM tariff rule violations.

## PECO Energy Power Team (March 1999- May 2001)

- Engaged in financial energy trading and analysis within PJM Interconnect, for day-ahead electricity desk, including virtual transactions, capacity and FTR's.
- Monitored and reported risk-taking activities and ensure existence of an effective system of control over market, operational, credit and strategic business risk.
- Created, calibrated and validated risk exposure using forward curves and mark-to-market valuations.
- Prepared management reports including financial results and disclosures on financial statements detailing transactions, designated hedge vs. non-hedge, and the methods of valuation used.
- Administered, reviewed and processed specialty contracts.

## Deloitte Consulting (June 1993- February 1999)

- Worked extensively on securities fraud engagements in connection with SIPC Act.
- Prepared detailed procedures/control study of back office securities clearing function, trade processing and cash management of international broker/dealer.

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# American PowerNet

- Provided operational and compliance audits to financial service organizations with respect to SEC.
- Regulations 15c3-1, 15c3-3 and Regulation T.
- Prepared detailed financial analysis and evaluation of damages claimed and lost profits for intellectual property dispute.
- Engaged in electricity de-regulation risk management consulting.

## **Bea Tunmer**

### **American PowerNet (January 2002- Present)**

- Manager, Energy Markets and Analysis.
- Responsible for managing and maintaining billing and invoicing procedures between customers and energy suppliers.
- Analyzes retail electricity rates in various utility regions for wholesale price comparisons in the Pennsylvania, New Jersey, Maryland, Illinois, Massachusetts, Texas and Virginia energy markets.
- Interfaces with Independent Supply Operators in various markets for customer support and operations, including PJM, ERCOT, MISO and ISO-NE markets.
- Created and maintains computer model utilizing Locational Marginal Pricing to evaluate hourly electric loads and energy costs for commercial and industrial customers in different energy markets.
- Manages large amounts of electric load data from various sources for use in various business models.

### **Management Resources International (November 1985- December 2001)**

- Provided consulting managing services to electric, gas, steam and water utilities in the areas of cost allocation, rate studies, revenue requirements analysis, market analysis, engineer's reports, operating budgets and forecasting.
- Developed cost-of-service computer model to facilitate cost allocation for rate studies.
- Assisted project manager in several bond issues totaling over \$400M involving power sales contracts as source of repayment.
- Instrumental in preparing consulting engineer's reports for various public power bond issues. Project work included facility inspections, review of operating forecasts and power contracts, risk analysis and capacity market reviews.

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## 3. Electric System Operational Experience

### David Butsack

#### American PowerNet ( June 2002- Present)

- Vice President.
- CAM in PJM, MISO, ERCOT portal systems. Grants access to employees where fit.
- Manages electric system load forecasts is all PJM zones, PJM Aggregate, and ISO-NE.
- Manages ISO scheduling and balancing requirements in PJM, ISO-NE, MISO, and ERCOT.
- Responsible for implementing technologies that monitor ISO Power grids.
- Responsible for implementing metering technologies where needed so end use customers can better manage their energy procurement and/or demand response.

#### EA&C Consulting (1991- June 2002)

### Brian Vayda

#### American PowerNet (January 2005- Present)

- Vice President.
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# American PowerNet

- Manages large amounts of electric load data from various sources for use in various business models.

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- Instrumental in preparing consulting engineer's reports for various public power bond issues. Project work included facility inspections, review of operating forecasts and power contracts, risk analysis and capacity market reviews.

### **Agents and Contractors**

In response to Paragraph 19 of the application, Applicant stated "[please], note our sister company, APN Starfirst, LP has been a market participant ARES since 2006. All staffers who currently handle APN Starfirst, LP will facilitate the responsibilities for American PowerNet Management, LP."

It is not clear whether the individuals that Applicant intends to use to satisfy the requirements of Sections 451.330 and 451.340 are employees of Applicant, employees of APN Starfirst, LP, or employees of both companies. Applicant is directed to disclose whether the individuals that it intends to use to satisfy the requirements of Sections 451.330 and 451.340 are employees of Applicant, employees of APN Starfirst, LP, or employees of both companies.

If those individuals are employees of APN Starfirst, LP, and since Applicant and APN Starfirst, LP are two independent entities, then Applicant is directed to provide evidence of a contractual relationship between Applicant and APN Starfirst, LP that outlines the relationship between the two entities in terms of how Applicant would use APN Starfirst, LP employees to meet the requirements of Sections 451.330 and 451.340.

The individuals who American PowerNet Management LP seeks to have approved are employees of BOTH entities. From an operations and management standpoint, employees of both companies work in the same office and follow the same procedures. The only difference is APN Starfirst LP was set up as a separate legal entity to serve a single client's many industrial facilities throughout the nation for book keeping purposes.

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**ATTACHEMENT A**  
General Licensing Requirement 451.30(a)

**Managing the Energy Evolution®**

# American PowerNet

March 29, 2012

Chief Clerk  
Illinois Commerce Commission  
527 East Capitol Avenue  
Springfield, Illinois 62701

Re: Section 451.30 Required Filings and Procedures

Dear Chief Clerk,

Find enclosed notice of American PowerNet Management, LP's application for certification as published in the Breeze Courier on March 27, 2012 in compliance with item 6 in the ARES Application form.

American PowerNet Management certifies compliance with all terms and conditions required by Section 116-115 of the Act including 16-115A(a), (b), and (f), 16-119, 16-123, 16-125(b) and (c), 16-127, and 16-128(a) where applicable.

We the applicant, accept service by electronic means as provided for in Section 200.1050 of the Commission's "Rules of Practice" (83 Ill. Adm. Code 200.1050).

Should you have any questions, please do not hesitate to contact me at 610-372-8500.

Regards,

Jordan Dialectos  
Energy Analyst

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[www.americanpowernet.com](http://www.americanpowernet.com)

American PowerNet Management LP has filed an application with the Illinois Commerce Commission (ICC) requesting a Certificate of Authority to operate as an Alternative Retail Electric Supplier (ARES) in the State of Illinois. For over 15 years, American PowerNet Management LP has been helping its clients cut power costs through innovative wholesale and retail supply-side management. American PowerNet Management LP intends to serve all customer classes in the American Commonwealth Edison Co. Electric Energy Inc. Mid-American Energy Co. and Mt. Carmel Public Utility Co. territories. Further information can be attained by contacting us.

Applicant Address and contact information:

American PowerNet Management LP  
 45 Commercial Drive  
 Wyomissing, PA 19610  
 P: (610) 372-8500  
 F: (610) 372-9100  
 www.americanpower-net.com  
 3/27/2012

# BREEZE PRINTING COMPANY

A Corporation organized and existing under and by virtue of the laws of the State of Illinois does HEREBY CERTIFY, that it is the publisher

OF THE

## Breeze - Courier

That said BREEZE-COURIER is a secular newspaper and has been published daily in the City of Taylorville, County of Christian and State of Illinois, continuously for more than six months prior to, on and since the date of the first publication of the notice hereinafter referred to and is of general circulation throughout said County and State.

That a notice, of which the annexed printed slip is a true copy, was published ..... 1 ..... times in said Breeze-Courier namely once each week for ..... 1 ..... successive weeks, and that the first publication of said notice as aforesaid was made in said newspaper dated and published on the ..... 27 ..... day of ..... March ..... , A.D. 2012 and the last publication thereof was made in said newspaper dated and published on the ..... 27 ..... day of ..... March ..... , A.D. 2012

IN WITNESS WHEREOF, the undersigned, the said BREEZE PRINTING COMPANY has caused this certificate to be signed by MARYLEE COOPER RASAR, its President, this ..... 27 ..... day of ..... March ..... , A.D. ....

BREEZE PRINTING COMPANY

By ..... *Marylee Rasar* ..... , President.

(Publication Fee \$ ..... 10 50 ..... )

# Advertising Statement

## Breeze Courier

212 Main Street  
P.O. Box 440  
Taylorville, IL 62568  
Phone: (217) 824-2233  
Fax: (217) 824-2026

American PowerNet  
45 Commerce Drive  
Wyomissing, PA 19610

**Acct #:** 7245  
**Phone:** (610)372-8500  
**Date:** 03/31/12  
**Due:** 04/30/12

Date	Trans #	Type	Description	Runs	Inches	Amount	Balance
03/31/2012	56223	INV	American PowerNet Management,				
		ADJ	Billing Charge			0.50	0.50
		ADJ	Tearsheets			1.00	1.50
		PUB	01 Breeze-Courier - American Powe	1	5.49	9.00	10.50

Remarks

**Total Due:** 10.50

March :	10.50	February :	0.00	January :	0.00	December :	0.00	November :	0.00
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