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A NEMLC Company

Secretary
Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43215-3973



ORIGINAL

January 15, 2014

PUCO

2014 JAN 27 PM 4:15

RECEIVED-DOCKETING DIV

Re: *In the Matter of the Material Change to Business Operations of Discount Energy Group, LLC: Notice of Change in Ownership*
Case No. 12-3002-EL-CRS

Dear Commission Secretary,

Pursuant to Rule 4901:1-24-10 *et seq.*, Ohio Administrative Code, Discount Energy Group, LLC ("DEG") hereby submits its notice to the Public Utilities Commission of Ohio ("Commission" "PUCO") that a material change in business operations, specifically a change in ownership, has occurred.

On January 1, 2014, Discount Energy Group, LLC entered into a wholesale equity purchase agreement with Retail Energy Holdings, LLC ("REH"), a wholly owned subsidiary of Twin Cities Power Holdings, LLC ("TCPH").

Rule 4901:1-24-10(B)(1) requires that the Commission be notified within thirty days of any "significant change in ownership (being an ownership interest of five per cent or more) of the applicant or CRES provider." Attached hereto as Exhibit A, Discount Energy Group submits a graphical depiction of the resulting corporate structure subsequent to the acquisition. Discount Energy is now a wholly owned subsidiary of Retail Energy Holdings, LLC. DEG further notes that FERC approval was granted under Docket No. EC14-18-000.

Rule 4901:1-24-10(B)(8)(9)(10) requires that the Commission be notified within thirty days of any "change in the contact person, business address or telephone/fax number for staff using in investigating complaints," "any change in the contact person, business address, or telephone/fax number for staff use in investigating regulatory or emergency matters," and "any change in the business

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address, or toll-free telephone/fax number for customer service and complaints." Attached hereto as *Exhibit B*, Discount Energy Group provides updated information with respect to the contact person for investigatory, customer service, and regulatory matters, respectively.

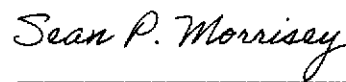
A summary of the technical and managerial competence of DEG's new owners is provided as *Exhibit C*, including resumes and biographical information of TCPH's executives. Furthermore, in connection with the managerial and ownership transition, DEG has retained the services of RMA Services, LLC ("RMA"), the owners and managers of which are Gregg Ruth, Pete McCawley, and Lynn Accorda. These persons were formerly DEG's equity owners and senior managers and will continue to assist the new ownership and executive management going forward.

On December 17, 2012 the Commission issued Certificate Number 12-616E(1), which is set to expire on December 17, 2014. In accordance with Chapter 4901:1-21 and 4901:1-24 of the Ohio Administrative Code, Discount Energy Group anticipates to file its renewal application with the Commission in the appropriate timeframe.

This acquisition will support Discount Energy Group's mission and operations in the State of Ohio by continuing to utilize the technical and managerial experience of its managers combined with the energy expertise and fiscal resources of Twin Cities Power Holdings.

Should the PUCO Staff require any additional information or documentation, please don't hesitate to contact this office directly.

Respectfully Submitted,



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o/b/o Discount Energy Group LLC

EXHIBIT A

Rule 4901:1-24-10(B)(1) requires that the Commission be notified within thirty days of any “significant change in ownership (being an ownership interest of five per cent or more) of the applicant or CRES provider.” Discount Energy Group herein submits a graphical depiction of its resulting corporate structure.



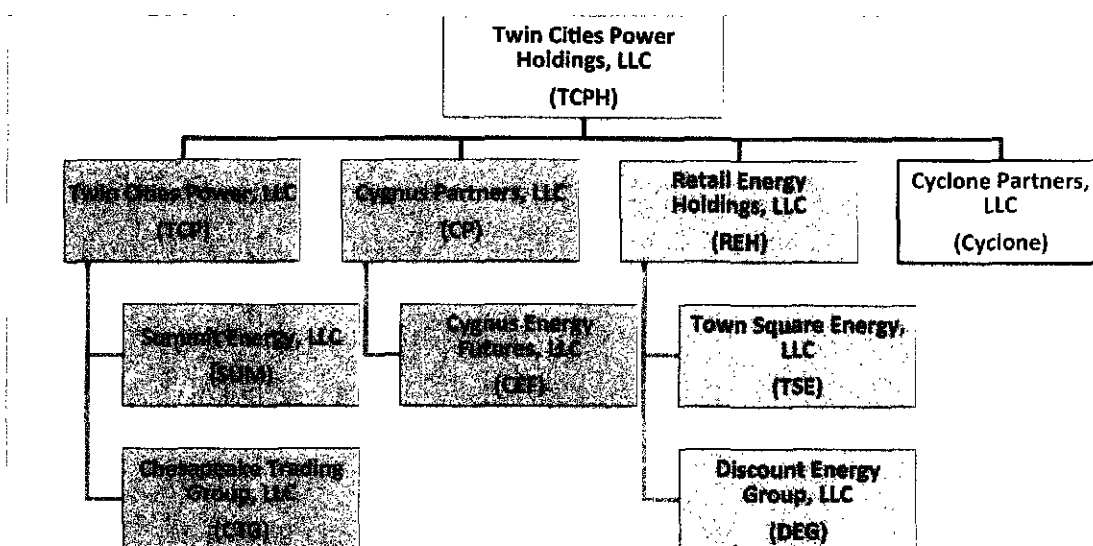
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The roots of Twin Cities Power Holdings, LLC (TCPH or the Company) go back to 2006, when we began trading wholesale electricity in the then recently formed Midwest market. Today, we are headquartered in the Minneapolis-St. Paul metropolitan area; operate two primary businesses - **Wholesale Energy Trading** and **Retail Energy Services** - out of 5 locations around the country; and employ 40+ people.

While our equity is privately held, our Renewable Unsecured Subordinated Notes are registered with the SEC and may be purchased by residents of California, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Kansas, Michigan, Minnesota, Mississippi, Missouri, New Jersey, New Mexico, New York, South Dakota, Texas, Utah, Vermont, and Wisconsin.

ORGANIZATIONAL STRUCTURE AT JAN 1, 2014 (Active entities only)

Key
Orange – Holding Company • ~~Wholesale Energy Trading~~ • Light Blue – Retail Energy Services
• Gray – Real Estate Development



Wholesale Energy Trading

We hold market-based rate authority granted by the Federal Energy Regulatory Commission, an independent regulatory agency within the U.S. Department of Energy (FERC and DOE, respectively) and are authorized by DOE to export electricity to Canada.

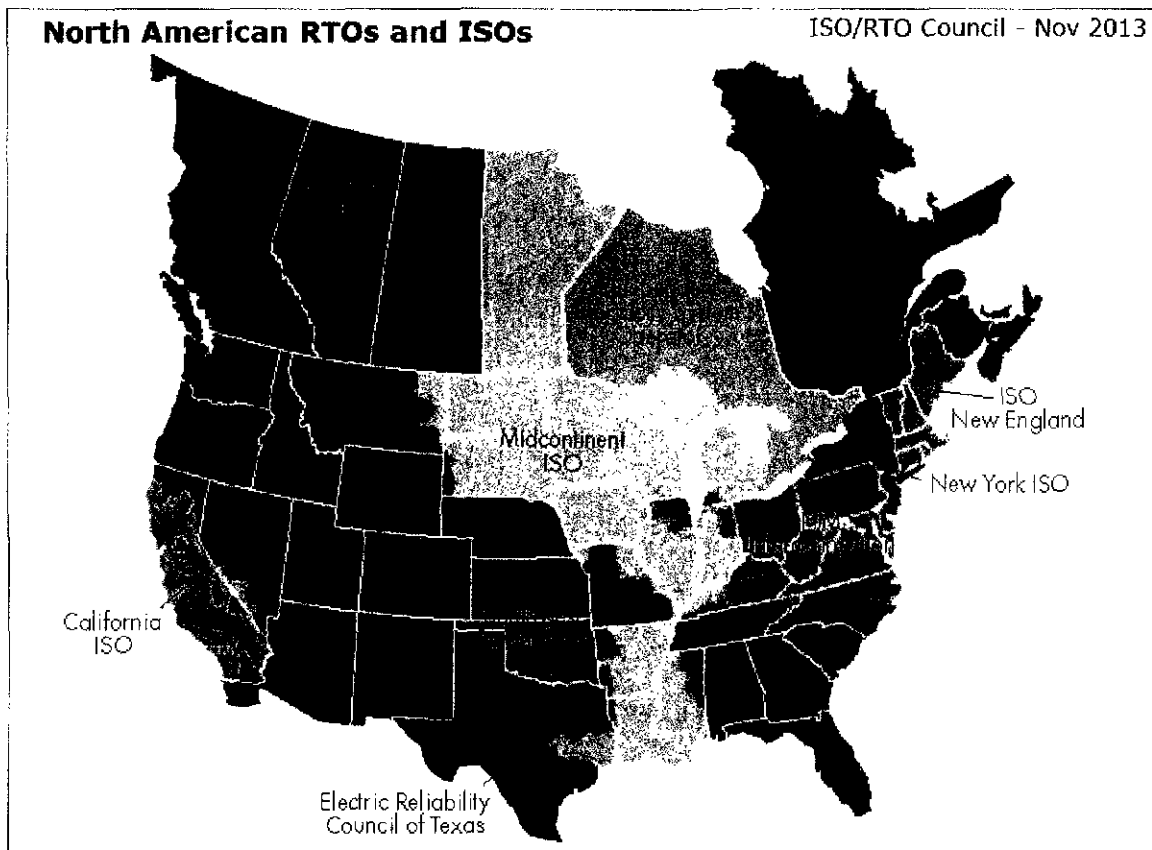
In general, we trade financial power for our own account in wholesale electricity markets managed by Independent System Operators or Regional Transmission Organizations regulated by FERC, including those managed by the PJM Interconnection (PJM), the Midcontinent Independent System Operator (MISO), ISO New England (ISO-NE), the New York Independent System Operator (NYISO), and the Electric Reliability Council of Texas (ERCOT).



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We also trade electricity and other energy-related derivatives on exchanges regulated by the Commodity Futures Trading Commission and operated by the Intercontinental Exchange® (ICE), the Natural Gas Exchange Inc. (NGX), and the CME Group (CME).



Retail Energy Services

On June 29, 2012, we entered the retail energy business via the acquisition of a Connecticut-based supplier serving less than 150 accounts and at December 31, 2013, we served over 10,000 residential and small commercial customers. We are also licensed by the states of Massachusetts, New Hampshire, and Rhode Island. Effective January 1, 2014, we acquired Discount Energy Group, LLC. DEG is currently licensed to provide electricity to customers in Maryland, New Jersey, Ohio, and Pennsylvania.

Consequently, at January 1, we are licensed in 8 out of the 14 jurisdictions that permit all retail electric customers to choose their energy supplier. See www.townsquareenergy.com and www.discountenergygroup.com.



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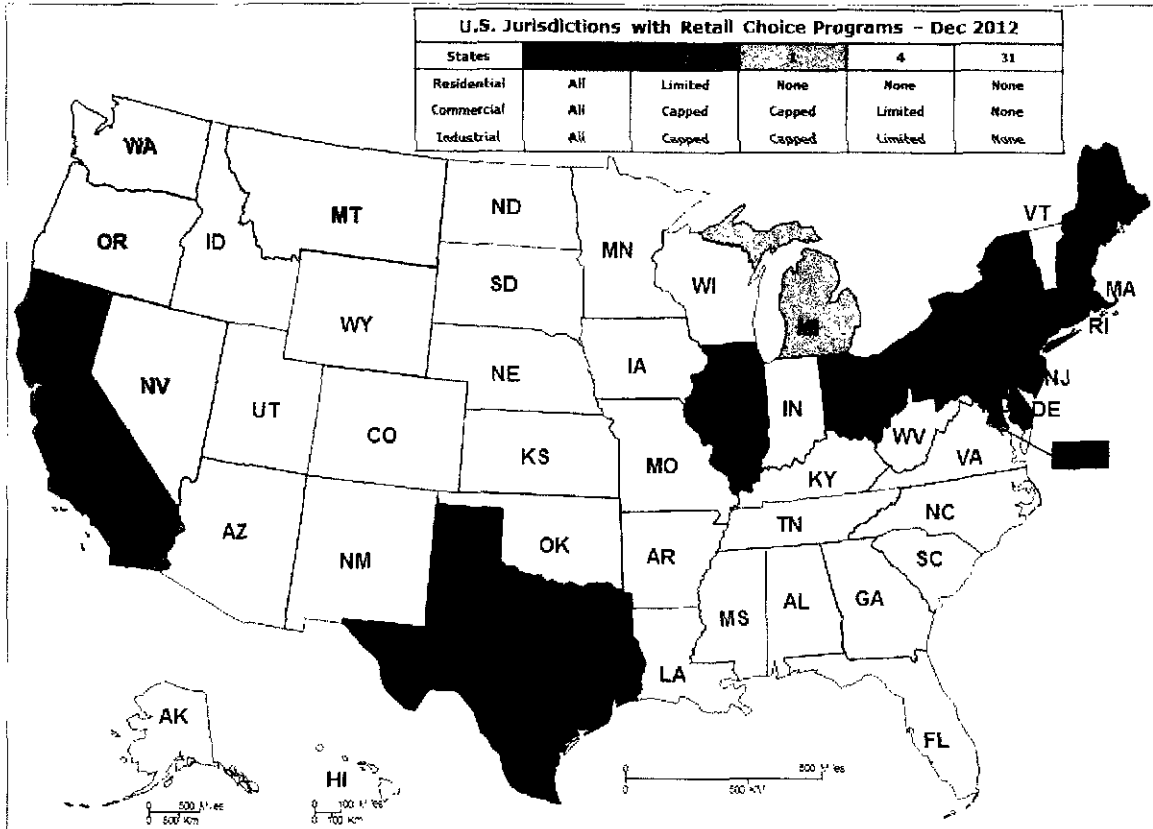


EXHIBIT B – Technical and Managerial

On January 1, 2014, the owners of DEG closed on the sale of 100% of its equity to Retail Energy Holdings, LLC ("REH"), a wholly owned subsidiary of Twin Cities Power Holdings, LLC ("TCPH"), thereby making DEG a second-tier subsidiary of TCPH. Enclosed herein please find resumes and biographical information of TCPH's executives demonstrating technical and managerial fitness. Furthermore, in connection with the managerial and ownership transition, DEG has retained the services of RMA Services, LLC ("RMA"), the owners and managers of which are Gregg Ruth, Pete McCawley, and Lynn Accorda. These persons were formerly DEG's equity owners and senior managers and will continue to assist the new ownership and executive management going forward.

As a result, the following internal corporate structure and contact personnel have changed.

REGULATORY CONTACTS:

Randal Miller, President
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Bill Bryce, Vice President
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Stephanie Staska, VP –Risk Management
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EXHIBIT C

Biographical information of the management team as of January 1, 2014.

**TCPH Leadership**

The following table lists the executive officers and governors of TCPH:

Name	Age	Position
Timothy S. Krieger	47	Chairman of the Board of Governors, Chief Executive Officer, and President
Wiley H. Sharp III (1)	57	Vice President – Finance and Chief Financial Officer
Keith W. Sperbeck	41	Vice President – Operations and Secretary
Stephanie E. Staska (1)	31	Vice President – Risk Management and Chief Risk Officer
David B. Johnson (1, 3)	62	Governor
Mark A. Cohn (2, 3)	56	Governor
William M. Goblirsch (2, 3)	69	Governor
Notes		
(1) Member of the Risk Management Committee.		
(2) Member of the Audit Committee.		
(3) Member of the Compensation Committee.		

Executive Officers

Timothy S. Krieger is our founder and owner and has served as Chairman, CEO, and President of TCPH and its predecessors since inception in 2006. Until January 1, 2010, Tim was also a governor, co-founder, and the Secretary and Treasurer of Fairway Dairy & Ingredients, LLC, a buyer and seller of dairy commodities. He graduated from Iowa State University in 1989 with a BBA in marketing.

Wiley H. Sharp III has served as VP-Finance and CFO since March 2012. Wiley is also a co-founder and Partner of Altus Financial Group LLC, a boutique investment banking firm specializing in the institutional placement of senior debt facilities, junior capital, and project financing, a position he has held since April 2005. From May to October 2011, he also served as VP-Finance for Christopher & Banks Corporation, a publicly traded retailer of women's clothing (NYSE-CBK). Wiley graduated from Tulane University in 1979 with a BS in management. He currently holds Series 79 (Investment Banking Representative), Series 7 (General Securities Representative), and Series 63 (Uniform State Securities Law) FINRA licenses.

Keith W. Sperbeck has served as VP-Operations since April 2009. From February 2004 to April 2009, he was employed by Citizens Bank Minnesota as a Vice President with responsibility for commercial lending, branch operations, and employee development.

Stephanie E. Staska has served as VP of Risk Management and Chief Risk Officer since August 2008. From September 2004 to August 2008, she was employed by Cargill, Inc., a global commodity trading concern and the 2nd largest private company in the United States, serving most recently as a Senior Risk Analyst within the trade and structured finance and corporate treasury functions from November 2006 to August 2008. Stephanie attended the Carlson School of Management at the University of Minnesota and received her MBA in December 2007 and her BSB in actuarial science in May 2003.

Governors

Mark A. Cohn was elected as a Governor of the Company in January 2013. Mark is currently the Chairman and CEO of Third Season, LLC, a company founded as an incubator of micro-consumer marketing companies, a position he has held since founding the company in 2003. In 2012, the National Association of Corporate Directors named him a



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Governance Fellow. Over the past 25 years, Mark has served as CEO or a board member for many private and public for profit, and non-profit, companies or organizations in industries including retailing, distribution, internet, broadcasting, health care, natural resources, manufacturing, and motorsports.

William M. Goblirsch was elected as a Governor of the Company in May 2012. Bill is a certified public accountant (inactive license) who started his career forty years ago with Arthur Andersen. For the past five years he has been utilizing his financial experience as an independent consultant. He has served as CFO for several companies including an investment banking firm; a blender, packager and distributor of oil products and lubricants; a cellular air time reseller; and a shopping mall franchisor of dental centers. Bill was appointed CFO of Tzfat Spirits of Israel, LLC in January 2013 and also serves as a board member.

David B. Johnson was elected as a Governor of the Company in December 2011. Dave is currently CEO of Cedar Point Capital, LLC, a private company that raises capital for early stage companies, a position he has held since May 2007. Dave graduated from Augsburg College in Minneapolis, MN in 1973 with a BS in business.

Retail Energy Services Leadership

The following table lists the officers and governors of TCPH's Retail Energy Services businesses, Town Square Energy and Discount Energy Group:

Name	Age	Position
Timothy S. Krieger	47	Chief Executive Officer and Governor
Randal Miller	—	President
Bill Bryce	—	Vice President - Operations & Business Development
Keith W. Sperbeck	41	Governor, Secretary, and Treasurer
David B. Johnson	62	Governor

Randal Miller serves as President of both Town Square Energy and Discount Energy Group. Randal is a seasoned energy professional with years more than 15 years of experience in marketing, analysis, regulatory and policy development, trading and retail energy operations and has ultimate responsibility for the success of TCPH Retail Energy Services businesses. He oversees all aspects of the wholesale function of the business, including load forecasting, energy procurement, and renewable portfolio strategy and compliance. Randal leads the product development and marketing functions of the organization, and is also responsible for ensuring compliance with corporate policies relating to risk and hedging. He attended the University of Alberta and graduated with a commerce degree in 1998.

Bill Bryce serves as Vice President - Operations & Business Development. Bill has more than 15 years of experience and spent his entire career in energy-related fields, from maintenance and operation of power plants to analysis, trading, renewable energy design and construction, consulting, energy education, and retail operations. Bill is responsible for the day-to-day operation of TCPH's retail businesses and directly oversees the customer service function. He is also the primary point of contact for all of TCPH's retail technical service providers (as they relate to EDI, billing, and customer relations) as well as all utilities and state regulatory authorities. Bill ensures the effective implementation of new products and services and marketing campaigns. Bill attended Queen's University and graduated with a degree in mechanical engineering in 1997.