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PUBLIC SERVICE COMMISSION

#25, 7/7/10 AM; ML# 123643
License Reference No.: IR-1985

July 7, 2010

Paul Nero, CEO
Integrity Energy, LTD
5711 Grant Ave.
Cleveland, OH 44105

Dear Mr. Nero:

On June 11, 2010, Integrity Energy, LTD filed an Application for a license to supply electricity or electric generation services in Maryland under COMAR 20.51. The Company proposes to provide electricity broker services in Maryland for residential, commercial and industrial customers without restrictions on the number and size of end use customers as described in the application.

After considering this matter at the July 7, 2010 Administrative Meeting, the Commission granted Integrity Energy, LTD a license to supply electricity or electric generation services in Maryland in accordance with its Application (License Reference Number IR-1985). The license granted by the Commission under this Letter Order is limited solely to electricity broker services to residential, commercial and industrial customers.

Finally, Integrity Energy, LTD is reminded that it is under a continuing obligation to notify the Commission of any substantial changes to the information upon which the Commission relied in granting this license. A copy of the supplemental or updated information is required to be filed concurrently with the Office of People's Counsel.

By Direction of the Commission,

A handwritten signature in black ink, appearing to read "T. Romine".

Terry J. Romine
Executive Secretary

TJR/gjd

c: Phil VanderHeyden, Electricity Division

Michael Naughton
5711 Grant Ave. Cleveland, OH 44105 P: 216-502-4409
email:mnaughton@integrity-communications.com

Experience

Integrity Communications, Ltd. Outbound Contact Center Specializing in Telecom and Energy Services
Cleveland, OH
CEO/Co owner, Co Founder: May 2002 - Present

- Lead a start up direct sales organization from infancy to a multi dimensional leading contact center with multiple inbound and outbound sales campaigns in a variety of different industries.
- Either led or oversaw every facet in the organization at some duration within the life of the company. These included sales, training, sales management, back office support, customer care, P&L responsibility, marketing, strategy, IT management, and vendor relationships.
- Assisted in launching our first sales office in Cleveland, OH, where the focus was AT&T sales in a direct sales environment. Within one year, launched a second direct sales office in the Novi, MI to focus on the Detroit Metro market. Became a Top 5 AT&T Distributor in 2004 with the two direct sales offices.
- Facilitated the first TPV sales relationship with the AT&T indirect sales channel, which accelerated the growth of Integrity into a two time Inc 500 winner in 2007 and 2008 as one of the fastest growing companies in the United States.
- Converted the entire organization from a 40 person direct sales channel into a leading outbound telesales call center with over 100 employees in 2005.
- Achieved the honor of becoming the largest producing AT&T Distributor in the ATT indirect sales channel in the over 20 year history of the channel in 2005.
- Continuously achieved the number one ranking of AT&T Distributor throughout the country in the AT&T indirect sales channel in 2006, 2007, 2008, and 2009.
- The company was recognized as a two time INC. 500 winner as one of the fastest growing companies in the United States in 2005 and 2006.
- In 2007, created what is believed to be the first call center to adopt and successfully sell high end IP and data products for the AT&T Indirect Channel. Previously, this product was sold in a traditional face to face sales model.
- In June 2008, initiated and implemented our first relationship with a leading Retail Energy Provider, becoming their number one outsourced telesales vendor by month 3 of the campaign. We are still their number one and only small commercial telesales vendor.
- Assisted in the growth in our energy campaigns throughout 2009 by bringing on another leading Retail Energy Provider for our telesales campaigns. With this particular relationship, Integrity ventured into our first dedicated residential telesales campaign. We have managed to consistently achieve 1.0 SPH (Sales per Hour) in this campaign.
- Oversaw the launch of our dedicated energy broker campaign, where we represent multiple Retail Energy Providers in the Commercial and Industrial
- I have assisted in overseeing our management team from zero to a Director, four daytime managers, and two night time managers over this growth period.

Allegiance Telecom, Inc. Voice and Data Services Provider
Sales Manager: May 2001-April 2002

Cleveland, OH

- Hire, train, inspire, and motivate a staff of 10 Account Executives in all assigned duties to obtain a monthly team quota of \$25,000 in new monthly revenue
- Developed and implemented a training program for my team of Account Executives on a weekly basis to maintain sales quota achievement
- Consistently achieved weekly/monthly sales forecasts while reporting to the City and Regional Vice President

Major Account Manager: September 2000-April 2001

Cleveland, OH

- Responsible for selling voice and data services to small and medium sized businesses in the Greater Cleveland area via aggressive cold calling, telemarketing, and closing talents
- Maintained a high level of customer service and support by working in conjunction with my engineering and provisioning departments
- Prospected an average of 100 companies per day while running an average of 10 appointments per week by utilizing excellent time management and organizational skills.
- Achieved 126% of plan over an 8 month period.
- Consistently ranked in the top 50 sales representatives out of roughly 1100 nationwide.
- Promoted to a Major Account Manager after a 6 month period.
- Recognized as the Account Executive of the Month 4 times within an 8 month period.
- Promoted to Sales Manager in May 2001

Bobcat of Cleveland: Bobcat Equipment Dealership

Cleveland, OH

Account Executive: July 1998-August 2000

- Promoted sales and rental of Bobcat Equipment via cold calling, client demos, referrals, networking, and the commitment to ensure customer satisfaction for the East Side Cleveland territory.
- Managed all facets of the sales including prospecting, demonstrations, financing, collections, product instruction, and warranty coverage.
- Recognized for the top 15% in new sales volume among all Account Executives in North America.
- Increased market share from 27% to 43% for the East Side Cleveland territory.

Education

The Ohio State University, Columbus, OH

September 1993-June 1997

Bachelor of Science in Business Administration, Major: Finance

References available upon request

Paul Nero

**5711 Grant Ave
Cleveland Ohio 44105**

Experience

2002 – Present Vice President, Integrity Communications, Cleveland Ohio

2002 – 2004 Vice President, Integrity Communications, Cleveland Ohio

Integrity Communications formed in 2002 as a distributor for AT&T, by myself and a partner, Mike Naughton, with the idea of becoming the largest partner within AT&T's indirect channel. The company started with a single office in Cleveland Ohio and 5 employees, today we own a 36,000 square foot building and have grown to approximately 100 employees. Our duties include but are not limited to the following:

- Develop vendor relationships within AT&T organization.**
- Create and develop a strategy to market AT&T products to the end user.**
- Design proposal templates and sales training materials.**
- Hired initial team of 5 – 10 outside sales account executives to promote and sell AT&T products including voice, data, and long distance.**
- Expanded Integrity Communications and started another outside sales office in Novi, Michigan, in 2004. Hired an additional 10-20 sales agents in Michigan to promote, sell, and install AT&T products.**
- Became a top 5 distributor with in AT&T's indirect channel.**
- At the end of 2004 Integrity had over 1million in annual revenue and had sold over 5 million in life cycle revenue for AT&T.**

2005 – 2008 Vice President, Integrity Communications, Cleveland Ohio

As Integrity Communications grew so did our responsibilities. At this point we had petitioned AT&T to bring us "Third Party Verification" to enroll our customers in the "Winback" program via phone instead of paper contracts. A winback customer was someone who left the AT&T network for another provider and we had the ability to bring them back. Once TPV was enabled we were able to focus our sales

efforts through a telesales model. Our duties included but are not limited to the following:

- **Hire a staff of inside sales employees that would be able to sell our products over the phone.**
- **Design, develop, and implement new training and sales material for an inside account executive.**
- **Create code of conduct procedures that would encompass all telemarketing best practices and policies.**
- **Develop a back office support system that would be able to support our sales staff as well as all customer service calls.**
- **Interface all sales systems within the AT&T order entry system.**
- **Draft strategic sales targets that would coincide with AT&T's footprint.**
- **Cultivate existing employees to become part of a winning management team.**
- **Install a predictive dialer system that would improve productivity while increasing quality assurance and quality control.**
- **At the end of 2008 Integrity had become the largest distributor that AT&T had ever had in the indirect channel.**
- **Integrity Communications had over 6 million in annual revenue at the end of 2008 and had contracted over 30 million in life cycle revenue for AT&T.**

2008 – Present Vice President, Integrity Communications, Cleveland Ohio

As our success continued as an AT&T authorized distributor we decided to branch out into the energy industry. We have been the largest NMR (New Monthly Revenue) producer for AT&T for the past 3 years and wanted to duplicate our model. In June 2008 we signed a contract with a top 5 alternative supplier. We started to sell natural gas and electricity services to the small and medium size commercial customers. Today over 50% of our annual revenue comes from energy sales. We have been selling energy for almost 2 years and look forward to expanding our business into the commercial and industrial sectors. Our duties include but are not limited to the below:

- **Design, develop, and implement new training and sales material for an inside account executive to sell energy over the phone.**
- **Recruit and hire established energy experts in the market today.**
- **Develop a back office support system that would be able to support our sales staff as well as all customer service calls.**
- **Interface all sales systems to extract the correct data from our new vendor.**
- **Develop a new scripting tool to accommodate the variety of products offered in the energy industry.**

- **Manage new relationships with the vendor executives to ensure accurate data posting's to reduce churn.**
- **Currently we are marketing directly for 2 major alternative suppliers and have launched our broker division in one utility service area.**
- **At the end of 2008 Integrity had become on of the fastest growing companies in America and received recognition from Inc. 500**

2000 – 2002 Sales Manager, Allegiance Telecom, Independence Ohio

I was hired at Allegiance Telecom as an account executive to manage a portfolio of existing customers and grow revenue. After 6 month's of working the ground floor I was promoted to a senior account executive and shortly after that I was promoted again to sales manager. My duties included but not limited to:

- **Grow existing relationships of current customers.**
- **Design, build, and implement extensive network diagram's for customers that utilize VPN, WAN, LAN, and multi-link networks.**
- **Recruit, hire, and manage a team of 10 outside sales agents that would drive new business.**
- **Develop relationships with outside network vendors that would be able to promote the Allegiance products to their current customers.**

Education

University of Akron, Akron Ohio