

ILLINOIS COMMERCE COMMISSION

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

Docket No. 11-0297

APPLICATION

Advantage IQ, Inc. ("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.

Advantage IQ, Inc.
1313 N. Atlantic Street, Suite 5000
Spokane, WA 99201

2. Related Information:

- Type of business entity: Corporation
- Jurisdiction in which and under whose laws business entity was created: **State of Washington**
- Other names under which Applicant does business (D/B/A): **none**

3. Contact Persons for the following:

- a) issues related to processing this application and
- Name: Bradley Gawboy**
Title: Senior Director, Supply Solutions
Address: 1620 South Frontage Road, Suite 200
Hastings, MN 55033
Telephone: 763-420-9747
Fax: 888-697-9179
E-mail: bgawboy@advantageiq.com

b) issues related to complaint resolution [454.130]

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11-0297
Advantage IQ, Inc.
Spokane, WA

Same as above.

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

4. Description of Applicant's business. [454.40(c)(1)]
Applicant provides energy management services to multi-site commercial, industrial and governmental clients. As a part of its energy management services, Applicant provides energy procurement services that foster competitive energy procurement opportunities for its clients. Applicant does not take title to energy.
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)]
See Attachments 1-2 describing technical, financial, and managerial resources.

Applicant serves multi-site commercial, industrial and governmental clients that choose to outsource energy management services, including energy procurement. Applicant's client base is split between clients with aggregated demand above the threshold for requiring licensure and below the threshold. However, those below the threshold are sophisticated business consumers that happen to have fewer sites within Illinois bringing their aggregated Illinois demand below the threshold and requiring Applicant to seek licensure.

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)]

**Name: CT Corporation System
Address: 208 S. La Salle Street, Suite 814
Chicago, IL 60604
Telephone: 1-800-369-1245**

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.

Applicant is not licensed in any other jurisdictions as of the date of this filing. However, Applicant recently acquired The Loylton Group, Inc., and The Loylton Group maintained licenses with this Commission as well as the commissions in Massachusetts, Maryland and Pennsylvania. Neither Applicant nor The Loylton Group has had any complaints filed against them in this or any other jurisdiction.

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 1. Attachment 1 includes an exhibit containing a corporate organizational chart and identifying the persons who are being used to meet the requirements of Part 454.60(a). Attachment 2 includes an exhibit containing occupational background information on the person or persons who are being used to meet the requirements of Part 454.60(a).

TECHNICAL LICENSING QUALIFICATIONS [Section 454.70]

10. Applicant meets the technical qualifications set forth in Part 454.70, as demonstrated in Attachment 1. Attachment 2 includes an exhibit containing occupational background information on the person or persons who are being used to meet the requirements of Part 454.70(a).

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. See Attachment 3.

[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 the ABC;
- 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,

Advantage IQ, Inc.

By: 
Gene Lynes, EVP, CFO and Treasurer

Name of Attorney
M. Todd Colton, Corporate Counsel
Advantage IQ, Inc.
1313 N. Atlantic St., Suite 5000
Spokane, WA 99201
Telephone: 509-329-7198
Fax: 509-321-0828
Email: tcolton@advantageiq.com

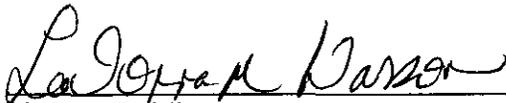
VERIFICATION

STATE OF WASHINGTON)
COUNTY OF SPOKANE)

Gene Lynes, being first duly sworn, deposes and says that he is an officer of Advantage IQ, Inc.; that he has read the foregoing Application of Advantage IQ, Inc., 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.

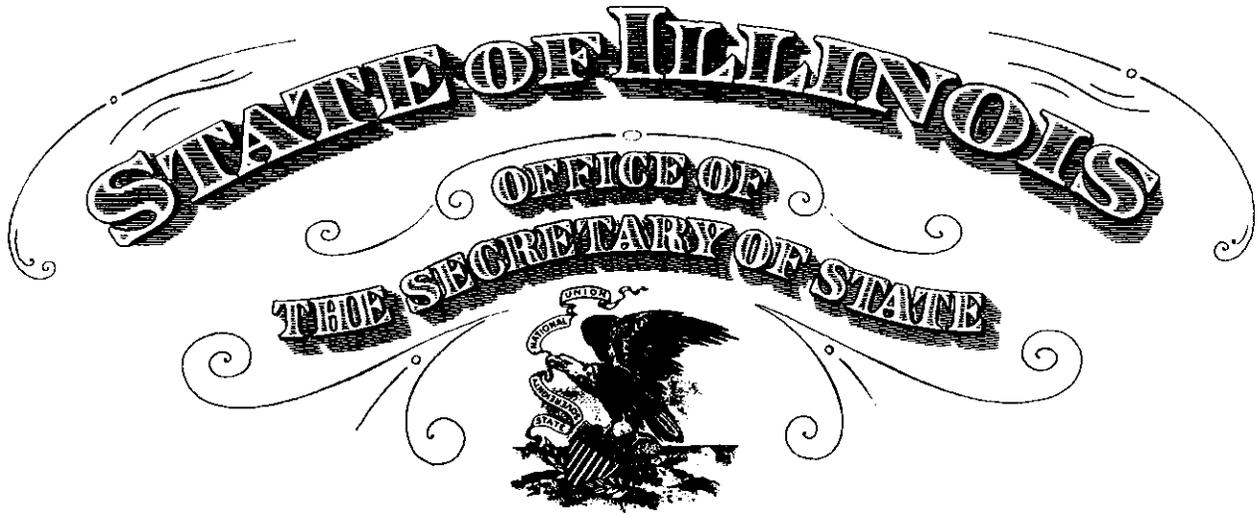

Gene Lynes, EVP, CFO and Treasurer

Subscribed and sworn to before me
this 3rd day of March, 2011.


Notary Public

[Stamp of Notary]

ATTACHMENT 1



To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

ADVANTAGE IQ, INC., INCORPORATED IN WASHINGTON AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON AUGUST 13, 2010, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES, AND AS OF THIS DATE, IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.



Authentication #: 1106702806

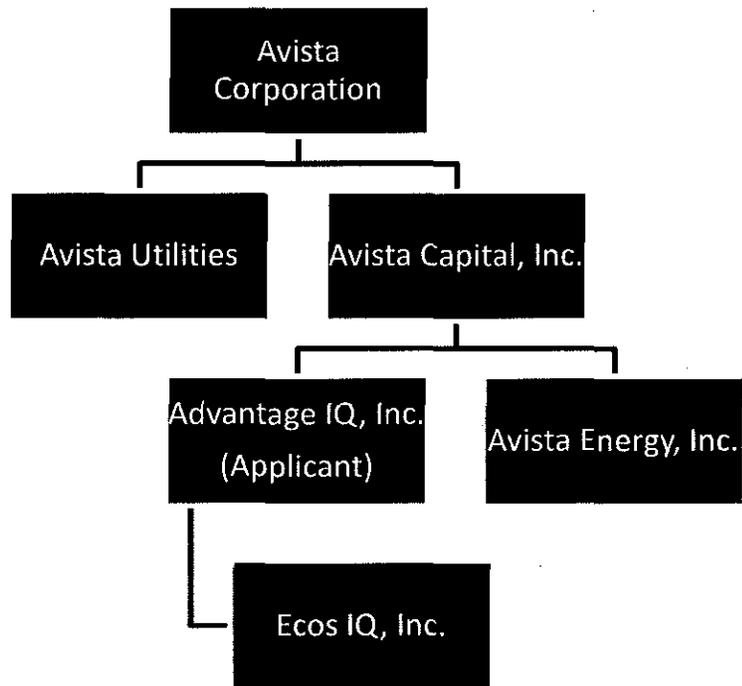
Authenticate at: <http://www.cyberdriveillinois.com>

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 8TH day of MARCH A.D. 2011 .

Jesse White

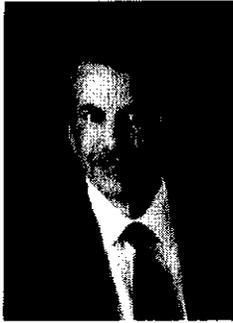
SECRETARY OF STATE

General Graphical Depiction of Applicant's Corporate Structure



Avista Corporation 1411 E. Mission Avenue Spokane, WA 99202	Avista Capital, Inc. 1411 E. Mission Avenue Spokane, WA 99202
Avista Utilities 1411 E. Mission Avenue Spokane, WA 99202	Advantage IQ, Inc. (Applicant) 1313 N. Atlantic St., Suite 5000 Spokane, WA 99201
Avista Energy, Inc. 1411 E. Mission Avenue Spokane, WA 99202	Ecos IQ, Inc. 309 SW 6 th Ave., Suite 1000 Portland, OR 97204

ATTACHMENT 2



Craig Schilling, Vice President, Procurement and Rates

As the senior individual responsible for all client service delivery of procurement and rates products, Craig leads a team of Energy Procurement and Rates Analysis experts in providing high level, value driven solutions to the client. Craig has spent four years leading the Energy Procurement and IT team in support of client contract transactions and customer technology collaborative tools. Craig brings 15 years of financial market and trading experience with a BS in Business from the University of Minnesota and an MBA from the University of Phoenix. Craig is a former Naval Aviator and is a Commander in the U.S. Navy Reserve.

Melody Swanson Director of Energy Procurement Services

Melody Swanson, Director of Energy Procurement Services at Advantage IQ, is an expert in the field of energy procurement and has worked with Advantage IQ for more than ten years. Melody serves as the primary resource for client risk assessment and analytics, working with clients to evaluate and establish custom energy procurement strategies. Her team currently manages over \$15 billion in annual energy expenditures for clients and works with nearly 200 multi-site clients. Having worked as a Market Manager in every market in the U.S. and Canada for both gas and electric, Swanson assisted in the development of the Advantage IQ Energy Procurement service offerings.

Melody played a crucial role in the development of proprietary analytic tools including: Value at Risk reporting (VAR); energy forecasting; and historical analytical instruments that evaluate current and historical wholesale energy prices to identify timing and strategy for executing energy hedge positions. She developed complex hedging strategies for large energy users and built custom energy reports, such as benchmark reports, savings calculators, and volatility and risk assessments.



Brad Gawboy, Senior Director, Electric Supply Solutions

A degreed engineer and graduate of the U.S. Naval Academy, Brad has worked in the energy industry for 25 years. He began his career in electric generation and then served for an extended period in the marketing and national account sales arena in the utility industry. Brad leads Advantage IQ's electricity procurement solutions in deregulated states and spearheads service offerings related to demand response and the emerging Smart Grid. He is a Captain in the U.S. Navy Reserves.



Dennis Pearson, Senior Director, Natural Gas Supply Solutions

"Denny" brings nearly 30 years of energy-related experience to Advantage IQ, Inc., including interstate and intrastate pipeline transmission from the producing regions to the citygate, field and market storage operations, distribution from the citygate to the meter, and natural gas and retail electric supply sales on a national basis. During the past 15 years, he has focused on the development and negotiation of a broad range of value-added, energy-related products and services that are tailored to meet the firm energy requirements of common-ownership client portfolios in deregulated environments. He is responsible for developing, managing, maintaining, and growing the non-electric retail supplier network to meet client needs.

ATTACHMENT 3

LICENSE & PERMIT **BOND**

Travelers Casualty and Surety Company of America
One Tower Square, Hartford, CT 06183

Bond No. 105567680

KNOW ALL MEN BY THESE PRESENTS:

THAT WE, Advantage IQ, Inc., as Principal, and Travelers Casualty and Surety Company of America, a corporation duly incorporated under the laws of the State of Connecticut and authorized to do business in the State of Illinois, as Surety, are held and firmly bound unto People of the State of Illinois, Illinois Commerce Commission, 527 East Capital Ave., Springfield, IL 62701, as Obligee, in the penal sum of Five Thousand & 00/100 (\$5,000.00) Dollars, for the payment of which we hereby bind ourselves, our heirs, executors and administrators, jointly and severally, firmly by these presents.

WHEREAS, the Principal has obtained or is about to obtain a license or permit for Electricity Supplier.

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION ARE SUCH, that if the Principal shall faithfully perform all duties and protect said Obligee from any damage caused by the Principal's non-compliance with or breach of any laws, statutes, ordinances, rules or regulations, pertaining to the license or permit issued, then this obligation shall be null and void; otherwise to remain in full force and effect.

This bond shall become effective on the 7th day of March, 2011.

PROVIDED, that regardless of the number of years this bond is in force, the Surety shall not be liable hereunder for a larger amount, in the aggregate, than the penal sum listed above.

PROVIDED FURTHER, that the Surety may terminate its liability hereunder as to future acts of the Principal at any time by giving thirty (30) days written notice of such termination to the Obligee.

SIGNED, SEALED AND DATED this 7th day of March, 2011.

Advantage IQ, Inc.

By: Scott Simmons
Principal

**Travelers Casualty and Surety Company of
America**

By: Mark W. Edwards II
Mark W. Edwards, II, Attorney-in-Fact



POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In Fact No. 222211

Certificate No. 003555215

KNOW ALL MEN BY THESE PRESENTS: That St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company and St. Paul Mercury Insurance Company are corporations duly organized under the laws of the State of Minnesota, that Farmington Casualty Company, Travelers Casualty and Surety Company, and Travelers Casualty and Surety Company of America are corporations duly organized under the laws of the State of Connecticut, that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc., is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

Mark W. Edwards, II, Ronald B. Giadrosich, Jeffrey M. Wilson, William M. Smith, Evondia H. Woessner, and Robert M. Verdin

of the City of Birmingham, State of Alabama, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 8th day of March, 2010.

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
St. Paul Fire and Marine Insurance Company
St. Paul Guardian Insurance Company

St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut
City of Hartford ss.

By: [Signature]
George W. Thompson, Senior Vice President

On this the 8th day of March, 2010, before me personally appeared George W. Thompson, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
My Commission expires the 30th day of June, 2011.



[Signature]
Marie C. Tetreault, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

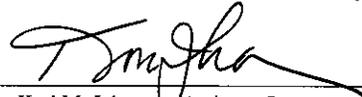
FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, Kori M. Johanson, the undersigned, Assistant Secretary, of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 7th day of March, 20 11.


Kori M. Johanson, Assistant Secretary



To verify the authenticity of this Power of Attorney, call 1-800-421-3880 or contact us at www.travelersbond.com. Please refer to the Attorney-In-Fact number, the above-named individuals and the details of the bond to which the power is attached.