

ILLINOIS COMMERCE COMMISSION

CCES LLC :

Application for Certificate of
Service Authority under Section
16-115 of the Public Utilities Act.

Docket No.

12-0677

APPLICATION

CCES LLC ("Applicant"), hereby requests that the Illinois Commerce Commission ("Commission") grant it a certificate of service authority pursuant to Section 16-115(d) of the Public Utilities Act ("Act") and Subpart D of 83 Ill. Adm. Code 451 ("Part 451"), Certification of Alternative Retail Electric Suppliers. In support of its application, Applicant states as follows:

GENERAL [451.20, 451.30, 451.210, and 451.310]

1. CCES LLC
8403 Colesville Road, Suite 310
Silver Spring, MD 20910 [451.20(c)(1)]
2. Related Information:
 - Type of business entity: LLC
 - Jurisdiction in which and under whose laws business entity was created: MD
 - Other names under which Applicant does business (D/B/A): Clean Currents Energy Services
 - Federal Employer Identification Number: 27-1148542 [451.20(c)(2)]
 - Registered Agent in Illinois: The Corporation Trust Company
3. Contact Persons for the following:
 - a) issues related to processing this application,
Jessica Cromeek
Operations Manager
8403 Colesville Road, Suite 310
Silver Spring, MD 20910
301-754-0430 ext. 724
jcromeek@cleancurrents.com

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- b) issues related to retail customers, including complaint-resolution, and
Gary Skulnik
President
8403 Colesville Road, Suite 310
Silver Spring, MD 20910
301-754-0430 ext. 701
gskulnik@cleancurrents.com
- c) technical issues, including scheduling of generation, transmission, and distribution, and issues arising from relationships with other providers of electric services.
Charles Segerman
CEO
8403 Colesville Road, Suite 310
Silver Spring, MD 20910
301-754-0430 ext. 703
csegerman@cleancurrents.com
4. CCES LLC agrees to accept service by electronic means. [451.30(e)]
 5. CCES LLC is licensed to do business in the State of Illinois, as demonstrated in Attachment A. [451.20(d)(1)]
 6. CCES LLC will publish notice of its application for certification in the Official State Newspaper within 10 days following its filing of the application for certification. CCES will file proof of publication with the Clerk of the Commission within 5 days after publication. [451.30(a)]
 7. CCES LLC will not be installing, operating, and maintaining generation, transmission, or distribution facilities within the State of Illinois. [451.20(d)(2)]
 8. CCES LLC is a licensed electricity supplier in Maryland, the District of Columbia, and Pennsylvania, operating in the PEPCO, BGE, and PPL territories. CCES LLC has been serving commercial customers as a supplier since February 2011 and residential customers since July 2011. Prior to becoming a licensed supplier, CCES LLC operated as a broker (under the name Clean Currents LLC) for over 5 years. Clean Currents LLC was a licensed broker in Pennsylvania, Delaware, Maryland, and the District of Columbia and served over 7,000 residential and commercial customers.

CCES LLC is not currently affiliated with an Illinois utility, we plan to work in ComEd territory once licensed. [451.30(c)(1)]
 9. CCES LLC seeks to be authorized to offer service through PJM territories of Illinois. CCES plans on entering the Illinois market in late third quarter of 2013 by starting to offer electric supply service in the ComEd territory. The operating and marketing plan for Illinois will be very similar to the plan for the other states

CCES is currently operating in. The main goals are to offer residential and commercial customers fixed price Green-e Energy Certified green power options with excellent customer service.

CCES LLC intends to offer both Residential and Commercial products: fixed rate green electricity and variable rate green electricity. [451.30(c)].

10. CCES LLC is filing under Part 451 Subpart D. CCES LLC proposes to serve residential and commercial customers with annual electric consumption no greater than 1 megawatt. [451.30(c)(2)]
11. CCES LLC notified the designated in-state agent for each affected utility that Applicant intends to serve customers in that utility's service area, as demonstrated in Attachment B. [451.30(c)(3)]
12. CCES LLC certifies that it:
 - a) will comply with all applicable Federal, State, regional and industry rules, practices, policies, procedures and tariffs for the use, operation, maintenance, safety, integrity, and reliability of the interconnected electric transmission system; [451.20(a)]
 - b) will comply with informational and reporting requirements that the Commission may by rule establish; [451.20(b)]
 - c) complies with all other applicable laws and regulations and Commission rules and orders; [451.20(e)]
 - d) complies with all terms and conditions required by Sections 16-115A(a), (b), and (f), 16-119, 16-123, 16-125(b) and (c), 16-127, and 16-128(a) of the Act, to the extent those Sections have application to the services being offered by the alternative retail electric supplier; [451.30(d)(2)] and
 - e) complies with all terms and conditions required by Section 16-115A(c) of the Act. [451.210 and 451.310(a)]
13. CCES LLC agrees to submit good faith schedules of transmission and energy in accordance with applicable tariffs. [451.20(a)]
14. CCES LLC certifies that it will provide for review by Staff on a confidential and proprietary basis data related to contracts for the purchase and sale of electric power and energy; [451.20(b)]
15. CCES LLC shall certify it will procure renewable energy resources as required by Section 16-115D and subsection (d) of Section 16-115 of the Act.. [451.20(f)].
16. CCES LLC shall certify that it will source electricity from clean coal facilities, as required by Section 16-115(d)(5) of the Act. [451.20(g)]
17. CCES LLC agrees to adopt and follow rules and procedures ensuring that authorizations received from customers, customer billing records, and requests for delivery service transmitted to utilities are retained for a period of not less

than two calendar years after the calendar year in which they were created.
[451.40(a)]

18. CCES LLC agrees to adopt and follow rules and procedures to preserve the confidentiality of its customer's data. [451.40(b)]
19. CCES LLC does not currently have authority from the Commission to be an ARES.
20. CCES LLC is licensed as an alternative retail electric supplier in Maryland, Washington, DC, and Pennsylvania, similar to the licensure required under Section 16-115 of the Illinois Public Utilities Act. See license numbers below.
MD Supplier License Number: IR – 2161
DC Supplier License Number: EA – 8-5
PA Supplier License Number: A-2012-2304407

CCES LLC has not had any complaints filed against it for its provision of any services in the electric or gas industry in any jurisdictions.

LICENSE OR PERMIT BOND [451.50]

21. CCES LLC is required to execute and maintain a copy of the 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 equals the amount specified in Part 451.50(a) for the appropriate group of customers the Applicant seeks certification to serve, which is \$300,000.

FINANCIAL QUALIFICATIONS [451.320]

22. CCES LLC meets the financial criteria set forth in Part 451.320(a)(3). CCES LLC is a PJM member and will purchase 100% of its physical electric energy from PJM for delivery to ComEd. Please also view our PJM member letter, a letter of good standing from a licensed financial institution, and an organizational chart of our entities in Attachment C.
23. CCES LLC will not provide electric power and energy with property, plant and equipment that it owns, controls, or operates.

TECHNICAL QUALIFICATIONS [451.330]

24. CCES LLC will not use electric generation, transmission or distribution facilities that it owns, controls or operates in serving customers. CCES satisfies the other technical qualifications of Part 451.330(b) as demonstrated below.

Charles Segerman, CEO: Charles has over ten years experience buying and selling power and energy in wholesale markets and scheduling experience working for CCES LLC, a member of PJM. Charles facilitates the understanding

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of greening the bottom line by educating on cost effective means of implementing green building strategies, and actively promotes green power purchase arrangements with commercial entities resulting in price hedge backstops for clients while enabling them to promote and market their environmental sustainability activities. Charles also oversees company affairs, monitors expansion plans, provides long-term strategic guidance, improves operational efficiencies and leads executive staff towards additional sustainable business units that include joint-ventures, acquisitions, and improvement of various company financial profiles.

Melissa Davey, Senior Analyst: Melissa has 3+ years scheduling experience. Prior to recently joining the Clean Currents team, Melissa was an Energy Analyst with Exelon/Constellation/MxEnergy, Inc. for four years. Melissa employed skill set to perform cost analysis, shadow settlements, power scheduling, account reconciliations, and financial reporting for multiple territories (ERCOT, NYISO, ISO-NE) to accounting and senior management. Additionally, Melissa was responsible for analyses of hedge, day ahead energy, real time energy, and ancillary performance, and for KPI that tracked hedge performance. Melissa also developed load and enrollment tracking to detect large swings as verification that forecasting system is pulling correct information.

CCES LLC agrees to maintain, the telephone number, fax number and address below where its staff can be directly reached at all times. CCES LLC understands that maintenance of an answering service or machine, pager, or similar message-taking procedure does not satisfy this requirement. [Section 451.330(c)].

Telephone # 301-754-0430
Fax # 240-744-1719
Address 8403 Colesville Road, Suite 310
Silver Spring, MD 20910

Ed Toppi, Vice President - Retail Market Services of Customized Energy Solutions, is a contractor utilized by CCES LLC, pursuant to Section 451.350. Ed possesses the technical experience required under Subpart D. His primary area of focus is providing consulting services to Load Serving Entities in the areas of market analysis, risk management, and hedging strategy. Additionally, Ed assists with quantitative analysis and retail energy marketing expertise on a variety of client projects. Ed has over 10 years experience in the electricity industry—mostly in deregulated markets. Most recently, Ed was a Vice President with Constellation NewEnergy, where he ran the company's Mid-Atlantic regional business and oversaw Customer Acquisition Operations and Load Forecasting. Prior to that, Ed held positions with Exelon Energy and Public Service Enterprise Group. His specialties include deregulated retail energy markets with specific emphasis on retail pricing, load forecasting, wholesale market interaction, and quantitative analysis [Section 451.330(d)].

MANAGERIAL QUALIFICATIONS [451.340 and 451.350]

25. CCES LLC meets the managerial qualifications set forth in Part 451.340(a) as demonstrated below.

- The following three individuals in management positions on CCES LLC's staff have four years experience with enterprise financial and administration responsibilities including profit and loss responsibilities:

Joanne Williams, Financial Controller: Joanne prepares reports on a regular basis, including monthly financial statements, cost reports, budgeting, forecasting reports and other financial reports as needed. Additionally, Joanne is responsible for managing and oversight of outside accounting firms, managing the company's credit facilities, preparing applications for additional credit support, and preparing applications for additional credit support. Joanne also serves accounts payable and accounts receivable functions, and prepared information for tax return preparers.

Gary Skulnik, President: Gary has over ten years experience running daily operations for CCES LLC, a fast growing clean energy start-up. Gary leads the sales team in all sales efforts and strategies, develops the marketing plan, and coordinates all marketing efforts. Additionally, Gary is the lead on government relations and regulatory involvement, and is responsible for tracking electricity and Renewable Energy Credit (REC) markets.

Charles Segerman, CEO: Charles oversees company affairs, monitors expansion plans, provides long-term strategic guidance, improves operational efficiencies and leads executive staff towards additional sustainable business units that include joint-ventures, acquisitions, and improvement of various company financial profiles for CCES LLC.

- The following three individuals in management positions CCES LLC's staff have four years experience buying and selling power and energy in wholesale markets:

Charles Segerman, CEO: Charles has experience buying and selling power and energy in wholesale markets and scheduling experience working for CCES LLC, a member of PJM. Charles facilitates the understanding of greening the bottom line by educating on cost effective means of implementing green building strategies, and actively promotes green power purchase arrangements with commercial entities resulting in price hedge backstops for clients while enabling them to promote and market their environmental sustainability activities. Charles is an MBA with a law degree.

Ed Toppi, VP - Retail Market Services Customized Energy Solutions (contractor, see #25 for description)

Steve Malkiewicz, Director of Risk Management / CFO contractor, see #25 for description)

- The following three individuals in management positions on CCES LLC's staff have four years electric system operational experience:

Melissa Davey, Senior Analyst: Melissa worked as an Energy Analyst with Exelon/Constellation/MxEnergy, Inc. from 2008 to 2012. There, she implemented Constellation's risk mitigation plan, including DA trading energy within the company's risk tolerance. Melissa also employed quantitative skill set to perform cost analysis, shadow settlements, power scheduling, account reconciliations, and financial reporting for multiple territories (ERCOT, NYISO, ISO-NE). She has experience with analyses of hedge, day ahead energy, real time energy, and ancillary performance, and additionally produced FERC EQR regulatory filings and required environmental labels. On a daily basis, Melissa monitored a KPI that tracks performance of hedges, and developed load and enrollment tracking to detect large swings as verification to determine forecasting system accuracy. Melissa also has experience with Mark-to-Market Analysis. She holds an MS Financial Management as well as an MBA.

Ed Toppi, VP - Retail Market Services Customized Energy Solutions (contractor, see #25 for description)

Jon Parrella, President, ESCO Advisors Energy (contractor, see #25 for description)

Attachment D includes resumes for Charles Segerman, Gary Skulnik, Joanne Williams, and Melissa Davey to provide additional details [Section 451.340(a)], and an exhibit containing a corporate organizational chart which identifies the persons or agents who are being used to meet each of the requirements of Part 451.340(b).

26. CCES LLC is relying on one or more agents or contractors to meet the technical and managerial requirements of Part 451.330 and 451.340. Each agent and contractor on whom CCES LLC relies to meet these requirements is disclosed below. CCES LLC certifies that each such agent or contractor will comply with all the sections of Part 451 that are applicable to the functions to be performed by the respective agent or contractor. [451.350(b)]

Ed Toppi, VP - Retail Market Services Customized Energy Solutions is a contractor utilized by CCES LLC, pursuant to Section 451.350. Ed possesses the technical experience required under Subpart D, Section 451.330(d) as well as the managerial experience required under Section 451.340(a). To illustrate, his primary area of focus is providing consulting services to Load Serving Entities in the areas of market analysis, risk management, and hedging strategy.

Additionally, Ed assists with quantitative analysis and retail energy marketing expertise on a variety of client projects. He has been with Customized Energy Solutions for 6 years, and has over 10 years experience in the electricity industry—mostly in deregulated markets. Most recently, Ed was a Vice President with Constellation NewEnergy, where he ran the company's Mid-Atlantic regional business and oversaw Customer Acquisition Operations and Load Forecasting. Prior to that, Ed held positions with Exelon Energy and Public Service Enterprise Group. His specialties include deregulated retail energy markets with specific emphasis on retail pricing, load forecasting, wholesale market interaction, and quantitative analysis

Steve Malkiewicz, Director of Risk Management / CFO of Esco Advisors, is a contractor utilized by CCES LLC, pursuant to section 451.350. Steve possesses the managerial experience required under Section 451.340(a). Steve currently serves as Chief Financial Officer for ESCO Advisors, an energy consulting, service and support company with a comprehensive suite of products and services. Steve leads the Energy Supply/Risk Management practice area for ESCO. Formerly Managing Director and founder of St. Clair Energy Associates LLC (1997 to 2011), a management consulting firm serving the energy/utilities industry, his experience is a unique blend of financial and analysis assignments, with strategic and operational responsibilities, including helping to establish, finance and build several new businesses in the retail energy space. This background has provided him with a broad understanding of the energy markets, in-depth knowledge of quantitative methods, and hands-on experience with implementation. Steve has founded or assisted in forming and building several new businesses, serving in C-level roles in operations, risk management, supply management, regulatory and finance. Steve began his career as an auditor and consultant at Arthur Andersen in the Chicago and Detroit offices (1982 to 1990), and also served as a senior officer of a gas distributor and marketer in the Midwest. He is a Certified Public Accountant and a member of the Global Association of Risk Professionals. He has a Bachelor of Business Administration in Accounting from Eastern Michigan University.

Jon Parrella, President of ESCO Advisors, is a contractor utilized by CCES LLC, pursuant to section 451.350. Jon possesses the managerial experience required under Section 451.340(a). Jon specializes in all aspects of business development from planning to financing to development and analysis. Prior to ESCO Advisors, he founded and built Discount Power, Inc.(DPI) one of the largest ESCOs in the CT market. DPI grew to over \$50 million in revenue in only 14 months with over 20 employees and 35,000 customers. Jon was involved in developing the products, hedging strategies, systems implementation, receivables financing, and equity capital infusion.

FINANCIAL QUALIFICATIONS FOR SINGLE BILLING SERVICE [451.510]

27. CCES LLC does not intend to provide single billing services. CCES LLC intends to use utility-consolidated billing in which CCES LLC sends the calculated bill to

the Utility, and the Utility sends a bill to the end customer, displaying both Utility and Supplier charges for a billing period.

GENERAL PROVISIONS FOR APPLICANTS FILING UNDER SUBPART D [451.310]

28. CCES LLC has not been denied an electric supplier license in any state in the United States. [451.310(c)(1)]
29. CCES LLC has not had an electric supplier license suspended or revoked by any state in the United States. [451.310(c)(2)]
30. CCES LLC has other electric supplier license applications pending in the United States: New Jersey. [451.310(c)(3)]
31. CCES LLC is not the subject of any lawsuits that were filed in a court of law or formal complaints that were filed with a regulatory agency alleging fraud, deception or unfair marketing practices, or other similar allegations. [451.310(c)(4)]
32. CCES LLC certifies that its marketing materials which make statements concerning prices, terms and conditions of service contain information that adequately discloses the prices, terms and conditions of the products or services that the CCES LLC is offering or selling to the customer. [451.310(d)(1)]
33. CCES LLC certifies that before any customer is switched from another supplier, CCES LLC will give the customer written information that adequately discloses, in plain language, the prices, terms and conditions of the products and services being offered and sold to the customer. [451.310(d)(2)]
34. CCES LLC certifies it will provide documentation to the Commission and to customers that substantiates any claims made by CCES LLC regarding the technologies and fuel types used to generate the electricity offered or sold to customers. [451.310(d)(3)]
35. CCES LLC certifies it will provide to the customer itemized billing statements that describe the products and services provided to the customer and their prices, and provide an additional statement, at least annually, that adequately discloses the average monthly prices, and the terms and conditions, of the products and services sold to the customer. [451.310(d)(4)]
36. CCES LLC certifies it will include materials comprising the consumer education program (pursuant to Section 16-117 of the Act [220 ILCS 5/16-117]) with all initial mailings to potential residential and small commercial retail customers and before executing any agreements or contracts with such customers, and that CCES LLC will provide these materials at no charge to residential and small commercial retail customers upon request. [451.310(e) and 451.310(f)]

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37. CCES LLC certifies it will provide to residential and small commercial retail customers on a semiannual basis information on how to obtain a list of alternative retail electric suppliers that have been found in the last 3 years by the Commission (pursuant to Section 10-108 of the Act [220 ILCS 5/10-108]) to have failed to provide service in accordance with the terms of their contracts (pursuant to Section 16-117(g)(4)(C) of the Act). [451.310(g)]
38. CCES LLC certifies it will maintain sufficient managerial resources and abilities to provide the service for which it has a certificate of authority. [451.340(d)]

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WHEREFORE, CCES LLC requests that the Commission grant its application for service authority to serve retail customers, both residential and non-residential, in PJM territories within Illinois.

Respectfully submitted,

CCES LLC

By: 
CEO & In-House Attorney

Charles Segerman
In-House Attorney
CCES LLC
8403 Colesville Road, Suite 310
Silver Spring, MD 20910
(t) 301.754.0430 ext. 703

VERIFICATION

STATE OF Maryland) ss:
COUNTY OF Montgomery

Charles Segerman, being first duly sworn, deposes and says that he is CEO & In-House Attorney for CCES LLC, that he has read the foregoing Application of CCES LLC, 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.


Charles Segerman

Subscribed and sworn to before me
this 3 day of December 2012



Notary Public

[Stamp of Notary]

ROLAND P. ANNAN
NOTARY PUBLIC, MONTGOMERY COUNTY
STATE OF MARYLAND
MY COMMISSION EXPIRES MAY 5, 2014