

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

**LE Energy, LLC d/b/a Utility Gas
And Power.** :
:
:
15-0183
:
**Application for Certificate of
Service Authority under Section
19-110 of the Public Utilities Act.** :

ORDER

By the Commission:

I. INTRODUCTION

On March 10, 2015, LE Energy, LLC d/b/a Utility Gas and Power (“Applicant”) filed a verified application with the Illinois Commerce Commission (“Commission”) requesting a certificate of service authority as an alternative gas supplier (“AGS”) in Illinois pursuant to Section 19-110 of the Public Utilities Act (“Act”), 220 ILCS 5/1-101 et seq., and 83 Ill. Adm. Code 551 (“Part 551”).

On March 11, 2015, notice of the application was published in the official state newspaper, pursuant to Section 19-110(c) of the Act and Section 551.30(a). On March 19, 2015, Applicant filed a Verified Response to Notice of Administrative Law Judge’s Ruling, which provides additional information and updates certain information in the original application.

II. DESCRIPTION OF AND AUTHORITY SOUGHT BY APPLICANT

Applicant is a limited liability corporation organized and existing under the laws of Michigan. Applicant provides documentation from the Office of the Secretary of State, State of Illinois, demonstrating that Applicant has been approved to transact business in the State of Illinois.

Applicant states it is headquartered in Opelika, Alabama. Applicant states it was organized in 2013. It states it is currently authorized to serve retail customers in Michigan under the assumed name Michigan Natural Gas.

In the instant application, Applicant seeks authority to offer natural gas service to residential and small commercial customers in the service areas of Northern Illinois Gas Company d/b/a Nicor Gas Company (“Nicor”), The Peoples Gas Light and Coke Company (“Peoples”), North Shore Gas Company (“North Shore”), as well as to small commercial customers in the service area of Ameren Illinois Company d/b/a Ameren Illinois (“AIC”). A copy of the notification sent to each of these companies has been

provided, pursuant to Section 551.30(c). Applicant does not seek to serve customers within a geographic area that is smaller than a gas utility's service territory.

III. AGS REQUIREMENTS AND OBLIGATIONS

As required by Section 551.20(a), Applicant certifies that it will comply with all Federal, State, regional and industry rules practices, policies, procedures, and tariffs for the use, operation, maintenance, safety, integrity, and reliability of the interstate natural gas system and that it will submit good faith schedules of natural gas deliveries in accordance with applicable tariffs. Applicant certifies that it will comply with all applicable terms and conditions required by Section 19-110 of the Act and that it will submit good faith schedules of natural gas deliveries in accordance with applicable tariffs. Applicant also certifies that it will provide service to commercial and residential customers in the Nicor, Peoples, and North Shore service territories and commercial customers in the AIC service territory. Applicant asserts it will serve customers who are eligible to take service from an AGS; that it will comply with informational and reporting requirements established by Commission rule; and that it will comply with all other applicable laws and regulations and Commission rules and orders pursuant to Section 551.20.

Applicant indicates it has not been denied a natural gas license in any state in the United States. Applicant indicates it has never had a natural gas supplier license suspended or revoked by any state in the United States. Applicant indicates it currently does not have a gas supplier application pending in the United States.

In accordance with Section 551.40, Applicant agrees to adopt and follow rules and procedures ensuring that authorizations received from customers, customer billing records, and requests for 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. In addition, Applicant agrees to adopt and follow rules to preserve the confidentiality of customer data.

Applicant certifies that all marketing materials that make statements concerning prices, terms and conditions of service shall contain information that adequately discloses the prices, terms and conditions of the products or services that it is offering or selling to the residential or small commercial customer. Applicant agrees that before any customer is switched from another supplier, the Applicant 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.

Applicant certifies that it will provide to the residential customer accurate, timely, and itemized billing statements that describe the products and services provided to the customer and their prices and that specify the gas consumption amount and any service charges and taxes; and 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 residential customer.

Applicant certifies it will provide refunds of any deposits with interest, at a rate set by the Commission which shall be the same as that required of gas utilities, within 30 days after the date that the residential or small commercial customer changes gas suppliers or discontinues service if the customer has satisfied all of its outstanding financial obligations to the alternative gas supplier. Applicant also agrees to provide timely refunds of any undisputed overpayments upon oral or written request of the small commercial customer.

Applicant certifies that it will comply with its procedures described in Attachment 3 to its application addressing the manner in which any disputed amount for which a residential or small commercial customer is billed, may be resolved. Applicant states that while the dispute is pending, the customer shall pay the undisputed portion of the bill or an amount equal to last year's bill at the same location for the same period, normalized for weather, whichever is greater. Applicant affirms that any disputed amount in excess of last year's bill for the same address adjusted for weather shall not be included in the amount that must be paid by the due date. Applicant also agrees to inform its customers how to contact the Commission's Consumer Services Division to pursue an unresolved dispute. Finally, Applicant agrees to inform its small commercial and residential customers how to contact the Commission to obtain consumer education materials provided pursuant to Section 19-125 of the Act.

Applicant asserts that it has obtained a license or permit bond as required by Section 551.50. Applicant states that a copy of its license or permit bond is attached to the application as Attachment 4. Attachment 4 reflects that the surety is RLI Insurance Company, an Illinois corporation. The amount of the bond is \$150,000, as required by Section 551.50(a).

Applicant asserts that it meets the financial criteria set forth in Section 551.80(a). Applicant provided a copy of its Dun and Bradstreet Paydex score and Experian Small Business Intelliscore in Attachment 5(a) and (b) to the Application.

Applicant also submits that it meets the "Technical Qualifications" and "Managerial Qualifications" which are set forth in Sections 551.90 and 551.100, respectively. Applicant provided several pieces of information regarding the "persons being used" to meet the requirements of those sections, including an organizational chart, an exhibit containing a narrative describing the individual's technical and managerial qualifications, which was supplemented in the Applicant's Response to Administrative Law Judge's Ruling.

Applicant asserts that it is not the subject of any lawsuits filed in a court of law or formal complaints filed with a regulatory agency alleging fraud, deception, or unfair marketing practices, or other similar allegations. Applicant states it has not had any informal complaints filed against it or an affiliate in Illinois.

IV. COMMISSION CONCLUSION

The Commission has reviewed the application and attachments, along with the supplementary information provided by Applicant. Subject to the conditions contained herein, the Commission finds that the application is in order and satisfies the requirements of the Act and Part 551. Applicant has demonstrated that it possesses sufficient financial, technical, and managerial resources and abilities to provide the sale of natural gas service to eligible residential and small commercial retail customers. The Commission observes that the requirements of Sections 551.50(b) and (c) remain fully applicable to the Applicant. The Commission concludes, therefore, that the application for certification as an AGS should be granted as follows:

CERTIFICATE OF SERVICE AUTHORITY

IT IS CERTIFIED that LE Energy, LLC d/b/a Utility Gas and Power is granted service authority to operate as an Alternative Gas Supplier as follows:

SERVICE TO BE PROVIDED: The sale of natural gas.

PRIMARY CUSTOMER CLASS TO BE SERVED: All eligible small commercial customers.

GEOGRAPHIC REGIONS SERVED: The service areas of Ameren Illinois Company d/b/a Ameren Illinois, Northern Illinois Gas Company, d/b/a Nicor Gas Company, the Peoples Gas Light and Coke Company, and North Shore Gas Company.

SECONDARY CUSTOMER CLASS TO BE SERVED: All eligible residential customers.

GEOGRAPHIC REGIONS SERVED: The service areas of Northern Illinois Gas Company, d/b/a Nicor Gas Company, the Peoples Gas Light and Coke Company, and North Shore Gas Company.

V. FINDINGS AND ORDERING PARAGRAPHS

The Commission, having reviewed the entire record, is of the opinion and finds that:

- (1) Applicant, which is a corporation organized and existing under the laws of Michigan, is licensed to do business in the State of Illinois and seeks authority to operate as an AGS under Section 19-110 of the Act;
- (2) the Commission has jurisdiction over the Applicant and the subject matter hereof;

- (3) the facts recited and conclusions reached in the prefatory portion of this Order are supported by the record and are hereby adopted as findings of fact;
- (4) as required by Section 19-110(e)(1) of the Act, Applicant possesses sufficient technical, financial, and managerial resources and abilities to provide natural gas service to eligible customers throughout the areas certificated herein;
- (5) Applicant shall comply with Section 19-110(e)(2), (3), (4), and (5) of the Act;
- (6) Applicant should be granted a Certificate of Service Authority as set out below, and shall thereafter comply with all applicable Commission rules and orders and any applicable amendments thereto.

IT IS THEREFORE ORDERED by the Commission that subject to the conditions set forth herein, LE Energy, LLC d/b/a Utility Gas and Power is hereby granted a Certificate of Service Authority as an alternative gas supplier, as set forth in Section IV of this Order.

IT IS FURTHER ORDERED that LE Energy, LLC d/b/a Utility Gas and Power shall comply with all applicable Commission rules and orders now in effect and as hereafter amended.

IT IS FURTHER ORDERED that, subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code 200.880, this Order is final; it is not subject to the Administrative Review Law.

By order of the Commission this 22nd day of April, 2015

(SIGNED) Brien Sheahan

Chairman