

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

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OCT 17 2016

Frontier Utilities Northeast, LLC :
:
Application for Certificate of :
Service Authority under Section :
16-115 of the Public Utilities Act. :

Docket No.

16-0485

ILLINOIS COMMERCE COMMISSION
CHIEF CLERK'S OFFICE

APPLICATION

Frontier Utilities Northeast, LLC ("Applicant"), hereby requests that the Illinois Commerce Commission ("Commission") grant it a certificate of service authority pursuant to Section 16-115 of the Public Utilities Act ("Act"). Frontier Utilities Northeast, LLC is filing under Subpart D) of Part 451. In support of its application, Applicant states as follows:

REQUIREMENTS FOR ALL APPLICANTS [451.20]

1. Frontier Utilities Northeast, LLC is applying for authority from the Commission to be an ARES in the following subpart:
Subpart D to serve all retail customers
2. As of the date of this filing, Frontier Utilities Northeast is licensed, certified or registered to provide services in the states of New Jersey, New York, Ohio, and Pennsylvania. Frontier Utilities, an affiliate of Frontier Utilities Northwest, provides competitive retail electric supplier services to commercial and residential customers services in the state of Texas.

Frontier Utilities Northeast, LLC registered in the state of Delaware.

Applicant's plan is to contract with customers, provide contracted services, billing statements and respond to customer inquiries and complaints in accordance with Commission rules.

The Applicant and its affiliates do not have 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 (For the purposes of

this Section, formal complaints include only those complaints that seek a binding determination from a state or federal regulatory body)

3. Applicant certifies that it 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 as it pertains to being an independent energy marketer; [451.20(a)].
4. Applicant agrees to submit good faith schedules of transmission and energy in accordance with applicable tariffs as it pertains to being an independent energy marketer. [451.20(a)]
5. Applicant certifies that it will comply with informational and reporting requirements that the Commission may by rule establish; [451.20(b)]
6. Applicant 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)]
7. Applicant's name and street address: [451.20(c)(1)]:
Frontier Utilities Northeast LLC
5120 Woodway Dr., Ste. 10015, Houston, Texas, 77056
 - a) Federal Employer Identification Number: [451.20(c)(2)] : 45-5436191
 - b) The entity is an LLC
 - c) Jurisdiction of Organization: Delaware. Attachment A (also including Amendment of name change).
 - d) DBA: Frontier Utilities Northeast
 - e) Registered Agent in Illinois: Capitol Corporate Services, Inc., 1315 W Lawrence Ave, Springfield, IL 62704; regagent@capitol-services.com; (800) 345-4647
8. Applicant demonstrates that:
 - a) Applicant is licensed to do business in the State of Illinois, as demonstrated in Attachment B. [451.20(d)(1)]
 - b) No employees will be installing, operating or maintaining generation, transmission or distribution facilities.

9. By signing this document Applicant certifies compliance with all other applicable laws and regulations and Commission rules and orders; [451.20(e)],
10. Applicant certifies that it will procure renewable energy resources as required by Section 16-115D and subsection (d) of Section 16-115 of the Act.
11. Applicant certifies that it will source electricity from clean coal facilities, as required by Section 16-115(d)(5) of the Act. [451.20(g)]

REQUIRED FILINGS AND PROCEDURES [451.30]

12. Applicant will publish a notice of its application for certification in the Official State Newspaper within 10 days following its filing of the application for certification. The applicant will file proof of publication with the Clerk of the Commission within 5 days after publication. [451.30(a)]
Copy in Attachment C.
13. Applications for certification shall be verified as required by Section 200.130 of the Commission's "Rules of Practice" (83 Ill. Adm. Code 200.130).
14. The geographic area in which Applicant seeks to be authorized to offer service in is:
The Comed/PJM service area. [451.30(c)]
 - a) Applicant's business as an independent energy marketer is to provide gas and power to all customer classes.
Applicant is not affiliated with an Illinois utility. [451.30(c)(1)]
 - b) The applicant is an independent energy marketer focused on energy procurement and portfolio strategies proprietary model within the competitive marketplace by assisting all customer classes in making informed choices based on current market conditions, historical data and

futures estimated needs. Applicant intends to provide services so that we can work to secure lowest possible energy costs by purchasing on the spot market, utilizing hedging and other financial instruments and strategies to provide our customers the most competitive pricing models in the industry. [451.30(c)(2)]

- c) Proof that applicant 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 D. [451.30(c)(3)]

[Utility designated in-state agents are identified on the Commission's web site: <http://www.icc.illinois.gov/utility/Certified.aspx?type=7>]

- 15. The applicant shall certifies compliance 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)]
- 16. Application shall include Contact Persons for the following:
 - a) Issues related to processing this application,
Ryan Thomason, Director Operations,
Phone: 713-481-6972, Fax: 866-926-8193,
5120 Woodway Dr., Ste. 10015, Houston, Texas, 77056
Ryan.thomason@frontierutilities.com
 - b) Issues related to retail customers, including complaint resolution, and
Ryan Thomason, Director Operations,
Phone: 713-481-6972, Fax: 866-926-8193,
5120 Woodway Dr., Ste. 10015, Houston, Texas, 77056
Ryan.thomason@frontierutilities.com

- c) Technical issues, including scheduling of generation, transmission, and distribution, and issues arising from relationships with other providers of electric services.

David Ferguson, Sr. Director Energy Portfolio Management

Phone: 832-209-8898

5120 Woodway Dr, Ste 10015, Houston, Texas, 77056

David.Ferguson@frontierutilities.com

- 17. Applicant does **not** agree to accept service by electronic means. [451.30(e)]

CUSTOMER RECORDS AND INFORMATION [451.40]

- 18. Applicant 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)]
- 19. Applicant agrees to adopt and follow rules and procedures to preserve the confidentiality of its customer's data. [451.40(b)]

LICENSE OR PERMIT BOND REQUIREMENTS [451.50]

- 20. Applicant 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 shall equal the amount specified in Part 451.50(a) for the appropriate group of customers the Applicant seeks certification to serve. [Attach a copy of the license or permit bond required by Part 451.50(a) and proof that the surety meets the definition of "qualifying surety" as set forth in Part 451.10.] Attachment E.

[A list of Sureties that meet the definition of "qualifying surety" can be found on the Department of the Treasury's Listing of Approved Sureties (Department Circular 570) (<http://www.fms.treas.gov/c570/c570.html>)]

FINANCIAL QUALIFICATIONS [Clearly state 451.110, 451.220, or 451.320—Not applicable to Subpart E Applicants]

21. Applicant meets one of the six financial criteria set forth in 451.320(a)(1-6), as demonstrated in Attachment F. The applicant meets criteria under Subpart D 451.320(a) under section 3, the Applicant is a member of PJM RTO and purchases 100% of its physical energy from PJM for delivery to the service territories of the utilities for which the applicant is seeking a certificate
22. Applicant will not provide electric power and energy with property, plant and equipment that it owns, controls, or operates. Applicant does not own any property as it relates to power and energy equipment.

TECHNICAL QUALIFICATIONS [451.330]

23. Applicant will not use electric generation, transmission or distribution facilities that it owns, controls or operates in serving customers. For Subparts D, N/A, **no Facilities are owned.**

Applicant meets the requirements of [list applicable code part: Part 451.330(b) as demonstrated in Attachment 23.

The following individuals on Applicant's staff have experience buying and selling power and energy in wholesale markets Part 451.330 (item 25. Of ARES, Applicant is relying on agents or contractors)::

David Ferguson, Sr. Director Energy Portfolio Management, Resume filed under seal

5120 Woodway Dr., Ste. 10015
Houston, TX 77056
(832) 209-8898
David.ferguson@frontierutilities.com

Jay Hellums, President and CEO, Resume filed under seal

5120 Woodway Dr., Ste. 10015
Houston, TX 77056
Phone 832-397-6934, Fax: 866-926-8193
Jay.hellums@frontierutilities.com

**Beth Sewell, Managing Partner, Quantum Gas & Power Services, LTD
Consultant to Frontier Utilities, Resume filed under seal**

12305 Old Huffmeister Road
Cypress, TX 77429
Phone 281-664-2020, Fax: 866-926-8193
BSewell@QuantumGas.com

The following individuals on Applicant's staff have experience working for an entity that is either a member of PJM, a market participant in the Midwest ISO, or has a system operator certificate from NERC, or has earned Certified Energy Procurement Professional status by the Association of Energy Engineers (or equivalent certification):

**David Ferguson, Sr. Director Energy Portfolio Management, Resume
filed under seal**

5120 Woodway Dr., Ste. 10015
Houston, TX 77056
(832) 209-8898
David.ferguson@frontierutilities.com

For Subparts D, the Applicant agrees to maintain the following telephone number, fax number, and address where Applicant's staff can be directly reached at all times. Applicant understands that maintenance of an answering service or machine, pager, or similar message-taking procedure does not satisfy this requirement 451.330(c).

Jay Hellums, President and CEO

5120 Woodway Dr., Ste. 10015
Houston, TX 77056
Phone 832-397-6934, Fax: 866-926-8193
Cell 713-540-2530

MANAGERIAL QUALIFICATIONS [451.340 and 451.350]

24. Applicant meets the managerial qualifications set forth in 451.340 (not applicable to Subpart E Applicants), as demonstrated in Attachment 24. Attachment 25 includes an exhibit containing a corporate organizational

chart and identifying the persons or agents who are being used to meet each of the requirements of Part 451.340(b).

The following individuals in management positions on Applicant's staff have four or more years experience with enterprise financial and administration responsibilities including profit and loss responsibilities:

Cynthia Morrow, Controller, Resume filed under seal

5120 Woodway Dr., Ste. 10015
Houston, TX 77056
Phone: 832-397-6930, Fax: 866-926-8193,
Cynthia.morrow@frontierutilities.com

Jay Hellums, President and CEO, Resume filed under seal

5120 Woodway Dr., Ste. 10015
Houston, TX 77056
Phone: 832-397-6934, Fax: 866-926-8193,
Jay.hellums@frontierutilities.com

Jason Wasserman, Director Portfolio Management, Resume filed under seal

5120 Woodway Dr., Ste. 10015
Houston, TX 77056
(281) 247-1844
Jason.Wasserman@frontierutilities.com

The following three individuals in management positions on Applicant's staff have four years experience buying and selling power and energy in wholesale markets (see item 25. Of ARES, Applicant is relying on agents or contractors):

David Ferguson, Sr. Director Energy Portfolio Management, Resume filed under seal

5120 Woodway Dr., Ste. 10015
Houston, TX 77056
(832) 209-8898
David.ferguson@frontierutilities.com

Jay Hellums, President and CEO, Resume filed under seal

5120 Woodway Dr., Ste. 10015
Houston, TX 77056
Phone 832-397-6934, Fax: 866-926-8193
Jay.hellums@frontierutilities.com

**Beth Sewell, Managing Partner, Quantum Gas & Power Services, LTD
Consultant to Frontier Utilities, Resume filed under seal**

12305 Old Huffmeister Road
Cypress, TX 77429
Phone 281-664-2020, Fax: 866-926-8193
BSewell@QuantumGas.com

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

Jay Hellums, President and CEO, Resume filed under seal

5120 Woodway Dr., Ste. 10015
Houston, TX 77056
Phone 832-397-6934, Fax: 866-926-8193
Jay.hellums@frontierutilities.com

Suresh Guddanti, CIO and VP Operations, Resume filed under seal

5120 Woodway Dr., Ste. 10015
Houston, TX 77056
Phone: 832-266-0139, Fax: 866-926-8193,
Suresh.guddanti@frontierutilities.com

Ryan Thomason, Director Operations, Resume filed under seal

5120 Woodway Dr., Ste. 10015
Houston, TX 77056
Phone: 713-481-6972, Fax: 866-926-8193,
Ryan.thomason@frontierutilities.com

25. Applicant is relying on one or more agents or contractors to meet the managerial requirements of having 3 individuals buying and selling power and energy in wholesale markets of 451. 330, 451.340 and 451.350 at this time. (Attachment 23A).

Applicant certifies that the agent or contractor will comply with all Sections of Part 451 applicable to the function or functions to be performed by the respective agent or contractor.

QUANTUM GAS & POWER SERVICES, LTD.
12305 OLD HUFFMEISTER ROAD

CYPRESS, TX 77429

WWW.QUANTUMGAS.COM

BETH SEWELL BSEWELL@QUANTUMGAS.COM

FINANCIAL QUALIFICATIONS FOR SINGLE BILLING SERVICE [451.510]

26. Applicant does not intend to provide single billing services.

GENERAL PROVISIONS FOR APPLICANTS FILING UNDER SUBPART D [451.310]

27. Applicant certifies compliance with all terms and conditions required by Section 16-115A(c) of the Act. [451.310(a)]
28. Applicant shall does not have any limitations that will be imposed on the number of customers or maximum load to be served and certify that it will not deny service to a customer or group of customers nor establish any differences as to prices, terms, conditions, services, products, facilities, or in any other respect, whereby such denial or differences are based on race, gender or income nor deny service to a customer or group of customers based on locality nor establish any unreasonable differences as to prices, terms, conditions, services, products, or facilities as between localities. [451.310 b)]
29. Applicant has not been denied an electric supplier license in any state in the United States
30. Applicant has not had an electric supplier license suspended or revoked by any state in the United States.
31. Applicant does not have other electric supplier license applications pending in the United States
32. Applicant 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. Attachment ___ provides details about each such lawsuit and/or complaint,

including the name, date, case number, and jurisdiction of the lawsuit/complaint. [Note that for the purpose of this entry, formal complaints include only those complaints that seek a binding determination from a state or federal regulatory body.] [451.310(c)(4)]

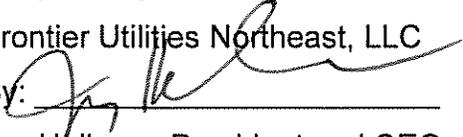
33. Applicant certifies that its marketing materials which make statements concerning prices, terms and conditions of service contain information that adequately discloses the prices, terms and conditions of the products or services that the Applicant is offering or selling to the customer. [451.310(d)(1)]
34. Applicant certifies that before any customer is switched from another supplier, 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. [451.310(d)(2)]
35. Applicant certifies it will provide documentation to the Commission and to customers that substantiates any claims made by the Applicant regarding the technologies and fuel types used to generate the electricity offered or sold to customers. [451.310(d)(3)]
36. Applicant 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)]
37. Applicant 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 Applicant will provide these materials at no charge to residential and small commercial retail customers upon request. [451.310(e) and 451.310(f)]

38. Applicant 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)]
39. Applicant certifies it will maintain sufficient managerial resources and abilities to provide the service for which it has a certificate of authority. [451.340(d)]
40. Applicant agrees that in the event the applicant bills any residential customer directly for supply, the applicant shall ensure that when marketing to residential customers who receive any type of low income energy assistance, the applicant has entered into the necessary agreements to allow low-income customers to receive Low Income Home Energy Assistance Program (LIHEAP) benefits and Percentage of Income Payment Plan (PIPP) benefits. In the event that the applicant is granted Commission authorization to provide supplier single billing to residential customers, the applicant shall ensure that, when marketing to residential customers who receive any type of low-income energy assistance, the applicant has entered into the necessary agreements to allow low-income customers to receive Low Income Home Energy Assistance Program (LIHEAP) benefits and Percentage of Income Payment Plan (PIPP) benefits.

WHEREFORE, Applicant requests that the Commission grant its application for service authority to serve retail customers [identify the characteristics of the customer group(s) that Applicant proposed to serve] in [describe area for which certification is sought, as in paragraph 7 above].

Respectfully submitted,

Frontier Utilities Northeast, LLC

By: 

Jay Hellums, President and CEO

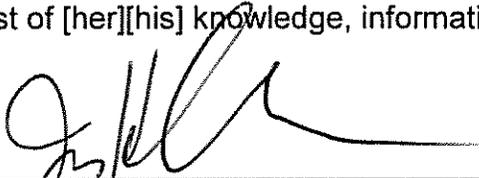
Rodney Drinnon and Ronald Wright

McCathern PLLC
2000 West Loop S. Suite 2100
Houston, Texas 77027
832-533-8689

VERIFICATION

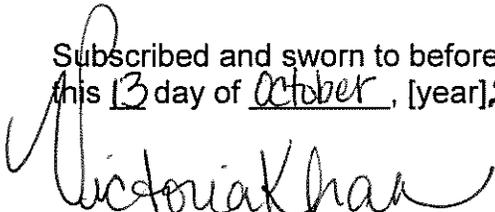
STATE OF Texas)) ss:
COUNTY OF Harris)

 Jay Hellums , being first duly sworn, deposes and says that he is the President and CEO of Frontier Utilities Northeast, LLC; that he/she has read the foregoing Application of Frontier Utilities Northeast, 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 [her][his] knowledge, information and belief.



Jay Hellums, President and CEO

Subscribed and sworn to before me
this 13 day of October, [year] 2016



Notary Public

[Stamp of Notary]

