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ILLINOIS COMMERCE COMMISSION

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 Energy Services, Inc.

ILLINOIS  
COMMERCE COMMISSION  
FEB 17 11 13 AM '00  
UTILITY SERVICE

Application To The

**Illinois Commerce  
Commission**

For Certification As An

**Alternative Retail Electric  
Supplier (ARES)**

Original



Alternative Retail Electric Supplier (ARES) Application

Freddie L. Fulson, President  
Nicole Energy Services, Inc.  
513 East Rich Street  
Suite 306  
Columbus, OH 43215  
Telephone - 614-221-5004  
Fax - 614-220-4020  
E-mail: Fulson@frontiernet.net

- B. In addition, questions related to retail customers, including complaint resolution should be directed to the main office in Columbus, OH. Please see the above information for addresses, telephone and fax numbers,
- C. Questions of a technical nature such as scheduling, transmission and distribution can also be addressed to the main office in Columbus.
- D. Questions of a legal nature can be addressed to:  
Alzheimer & Gray  
Attn: Andrew Scott  
10 South Wacker Drivel  
Chicago, IL 60606-7482  
Telephone - 312-715-4000  
Fax - 312-715-4800

**4. BUSINESS ENTITY AND DEPARTMENT OF STATE FILINGS:**

Nicole Energy Services, Inc., is an Ohio corporation

Attached are the appropriate Department of State papers documenting certification of authority to transact business in Illinois and Ohio. (See Attachment A1 & A2). Additionally, provided is a copy of the Applicants Articles of Incorporation. (See Attachment B).

The name and address of officers;

Freddie L. Fulson  
President  
Nicole Energy Services, Inc.  
513 East Rich Street, Suite 306  
Columbus, OH 43216

**5. APPLICANT'S INSTALLATION EMPLOYEES:**

Currently, Nicole Energy Services, Inc., the Applicant, does not own generation, transmission or distribution facilities, but purchases its power supply to service its customers. Therefore, the Applicant does not employ personnel who install, operate, maintain, equipment or machinery. In the event that Nicole Energy Services, Inc. should obtain generation facilities, the Applicant will fully comply with all of the requirements set forth by the Commission, regarding the requisite knowledge, skills and competence needed to perform said tasks in a safe and reliable manner.

**6. DESCRIPTION OF CURRENT BUSINESS:**

Nicole Energy Services, Inc. was established to provide natural gas, as well as electric supply and service, to the retail public in those areas where deregulation has permitted open access of such services.

**PROPOSED SERVICES IN ILLINOIS:** Nicole Energy Services, Inc., in general, proposes to offer:

- A. Electric power for sale, lease or exchange for other value received to retail customers,
- B. Delivery of electric power or energy to retail customers.
- C. Reselling and customer load aggregation.

7. SERVICE AREA:

Nicole Energy Services, Inc. plans to provide service throughout the State of Illinois.

8. DESCRIPTION OF CUSTOMERS:

The Applicant proposes to initially provide services to Commercial, Industrial and Governmental Customers of minimum annual load of 1 MW or more.

9. NOTICE: Pursuant to Section 451.30 Required Filings and Procedures the Applicant shall:

Publish notice of its application for certification in the Official State Newspaper within ten days following the filing of this application for certification. The Applicant will file proof of publication with the Clerk of the Commission when notice publication has been accomplished.

Nicole Energy Services, Inc., the Applicant, proposes to begin delivering services within 45 days after the date on which this completed application has been filed with the Commission, or the date on which the notice of the application's filing is published in the Official State Newspaper, whichever is later. This date will be on, or about, March 15, 2000.

10. Nicole Energy Services, Inc. recognizes, fully supports and commits to comply with the following stipulations

- A. Nicole Energy Services, Inc. has received approval of the Application with the Federal Energy Regulatory Commission (FERC) to be a Power Marketer. A copy of the approval is attached to support this application (See Attachment C1, C2, & C3). In addition, Nicole Energy Services, Inc. has applied for, and been awarded membership in the North American Electric Reliability Council (NERC). This association provides Nicole Energy Services, Inc. access to the Open Access Same-Time Information System (OASIS) via the Transmission System Information Network (TSIN). Nicole Energy Services, Inc. will comply with all applicable federal, state, regional and industry rules, policies, practices and procedures for the use, operation, and maintenance of the safety, integrity and reliability, of the interconnected electric transmission system. In addition, Nicole Energy Services, Inc., the Applicant, will certify that current schedules of power, in connection with our customers' power requirements, will be made available to each host utility, in the format and time frame established by the each particular utility.
- B. Nicole Energy Services, Inc. will only provide electric service to those retail customers that are eligible to take delivery of said services, and only after said customer has sanctioned the change of electric service by finalizing a power agreement with the ARES.
- C. Nicole Energy Services, Inc. will comply with the informational and reporting requirements set forth by the commission in Act 451.20 (c).
- D. Nicole Energy Services, Inc. will comply with the informational and reporting requirements established by the commission regarding the provision of information outlined in Act 451.20 (d) The Applicant will comply with such informational or reporting requirements as the Commission may establish by providing the information required by Section 16-112. Any data related to contracts for the purchase and sale of electric power and energy shall be made available for review by the Staff of the Commission on a confidential and proprietary basis, and only to the extent, and for the purposes which, the Commission determines are reasonably necessary in order to carry out the purposes of this Act.
- E. Nicole Energy Services, Inc. will comply with all other applicable laws, and regulations as well as Commission rules and orders as set forth in the Act 451.20 (g).
- F. Nicole Energy Services, Inc. will comply with all terms and conditions as required in Sections 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 that those Sections have application to the services being offered by the ARES.

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11. The Applicant will comply with such informational or reporting requirements 'as the Commission may by rule establish and provide the information required by Section 16-112.' Any data related to contracts for the purchase and sale of electric power and energy shall be made available for review by the Staff of the Commission on a confidential and proprietary basis and only to the extent and for the purposes which the Commission determines are reasonably necessary in order to carry out the purposes of this Act.

Nicole Energy Services, Inc. recognizes it is under a continuing obligation to amend its application if substantial changes occur in the information upon which the Commission relied in approving the original filing.

12. Nicole Energy Services, Inc. agrees to adopt and follow rules and procedures ensuring authorizations received from customers, by keeping confidential all customer billing history and records. In addition, these records will be kept on file for a period of at least two (2) years after the calendar year they are created. These records will be made available only to approved personnel of the ARES, as well as staff members of the Commission, should a necessity arise in accordance with the Commission's duties under the Act.
13. Nicole Energy Services, Inc. agrees to adopt and follow rules and procedures regarding the preservation of confidentiality of customer data, billing, and usage histories. These records will be kept confidential, with access granted only to approved ARES personnel, as well selected members of the Commission Staff in accordance with the pursuit of obligations of the Commission as set forth in the Act.
14. Nicole Energy Services, Inc. seeks to obtain authority from the Commission under this application. Neither Nicole Energy Services, Inc., nor Nicole Energy Marketing, Inc. currently possess such authority from the Commission under any other certification.

## RECIPROCITY

15. The following is a listing of all the names and addresses of the affiliated companies providing electric service in the North American Continent.

Nicole Energy Services, Inc.  
513 East Rich Street Suite 306  
Columbus, OH 43215  
Telephone 614-221-5004  
Fax 614-220-4020

Nicole Energy Services, Inc.  
52 Pine Creek Road Suite 202  
Wexford, PA 15090  
Telephone 412-369-4777  
Fax 412-369-4497

16. Nicole Energy Services, Inc., does not currently own its own generation facilities. At present, Nicole Energy Services, Inc., as an organization, purchases power from alternative sources for resale to retail customers. Should purchase of a generation facility be made in the future, reciprocity, in compliance with Section 16-115(d)(5) would be necessary. On the anniversary date of certification, the Applicant will present a report to the Commission within 30 days regarding purchase or non-purchase of a generation facility as outlined in Section 16-1 15(d)(5).

## FINANCIAL FITNESS

17. Nicole Energy Services, Inc. will execute and maintain a bond issued by a surety company authorized to transact business in the State of Illinois in favor of the People of the State of Illinois in the amount of \$30,000.00. The bond shall be conditioned on the full and faithful performance of all duties and obligations of the applicant as an ARES. The cost of the bond shall be paid by the Applicant.

As a energy provider whose electric generation comes from wholesale purchases rather than a company-owned generation facility, Nicole Energy Services, Inc. will provide a guarantor letter from its' parent company, Nicole Energy Marketing, Inc., a Delaware corporation, In addition, a financial rating is provided to establish the creditworthiness of the Applicant.

Nicole Energy Services, Inc., the Applicant, provides this support information to demonstrate financial fitness commensurate with the proposed services to be provided. We believe this information to be privileged and

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confidential in nature. This information and any other financial information is submit under a confidentiality seal as an attachment to this Application.

- ◆ **See Attachment D1, D2, & D3** – Financial Bond Letter
- ◆ **See Attachment E1 & E2**– Financial Information

### TECHNICAL QUALIFICATIONS

18. To ensure that the present quality and availability of service provided by electric utilities does not deteriorate, Nicole Energy Services, Inc., the Applicant, provides this information to demonstrate technical fitness commensurate with the service proposed to be provided.

- Nicole Energy Services, Inc. has a proven record of accomplishment, providing superior fuel management, gas supply and consulting services to a variety of customers including such high profile clients as Ohio State University, City of Pittsburgh and the City of Chicago.
- Our Electric Division has been approved for FERC designation as a power marketer/broker. Contracts have been established with major wholesale power suppliers from across the United States having agreements with and a thorough working knowledge of many regional and control areas along with membership in ECAR, MAAC and other regional reliability councils. We plan to adhere to the reliability protocols of the North American Electric Reliability Council (NERC), the appropriate regional reliability council(s), and the Commission, and agree to comply with the operational requirements of the control area(s) within which NES provides retail service. Nicole Energy Services, Inc. does not own or control generation and/or transmission facilities; however, we are exploring several opportunities in this area that might bring such facilities under Nicole Energy Services, Inc. control and/or ownership. We plan to be a premier energy supply and management company built on a foundation of integrity and trust.
- Nicole Energy Services, Inc. has assembled a staff of professionals whose expertise will insure the reliability of power flowing to its customers in Pennsylvania, as well as potential customers in Illinois. Through employees, consultants and relationships formed with outside organizations, Nicole Energy Services, Inc. will provide knowledge and service in the areas of power scheduling and shaping, reserve implementation, and interruption plan implementation. Nicole Energy Services, Inc. will maintain a **24**-hour response telephone line in order to deal with customer emergencies. Power scheduling and NERC tagging services, are handled by Nicole Energy Service, Inc. personnel.
- **See Attachment F1&F2:** Resumes Of Key Personnel

### MANAGERIAL QUALIFICATIONS

19. Contacts for Consumer Service and Complaints: Provided are the names, titles, addresses, telephone numbers and FAX numbers of the people responsible for addressing customer complaints. These persons will ordinarily be the initial point(s) of contact for resolving complaints filed with Applicant, the Electric Distribution Company, the Illinois Commerce Commission or other agencies.

Ed Payne  
Account Representative  
Nicole Energy Services, Inc.  
18 W 100 22<sup>nd</sup> Street, Suite 114  
Oakbrook Terrace, IL 60181  
Tel # 630-792-9928  
Fax # 630-792-9935

Alternate:

Ron Barnett  
Energy Marketing Consultant  
Nicole Energy Services, Inc.  
513 East Rich Street, Suite 306  
Columbus, OH 43215  
Tel. # 614-221-5004  
Fax # 614-220-4020

- ◆ **See Attachment G** -Nicole Energy Services, Inc. Organizational Chart

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Nicole Energy Services, Inc., the Applicant, provides the following information identifying the Applicant's chief officers.

President – Fred L. Fulson is the founder and corporate director for Nicole Gas Marketing, Inc., d.b.a. Nicole Energy Services. Nicole Gas Marketing was founded in 1989, with headquarters in Chicago, Illinois, and district operations in Columbus, Ohio and Pittsburgh, Pennsylvania. Nicole Energy offers energy management services and is a natural gas supplier to Fortune 1000 and Fortune 500 companies, major universities and metropolitan cities. Additionally, Fred is the founder and director of Nicole Gas Productions, Ltd., a natural gas production and drilling company.

Mr. Fulson brings over 28 years of experience in effective leadership in industries such as: energy, manufacturing, computer science, retail food, publishing and human resources. Currently, he directs Nicole Energy, a multi-divisional firm. In this capacity he creates, develops, and implements joint venture opportunities with major corporations, while developing solid business partnerships. These partnerships have proven profitable for both large and small corporations.

Previously, Fred was founder and president of Micronet Computers and Services, Inc. He established and managed a business-training center for small businesses throughout the state of Ohio that provided finance, forecasting, federal/state procurement, public relations, and technological client counseling services. During the tenure of the company, he was recognized as a buyer, manager and sales representative for the Chamber of Commerce and various Fortune 500 companies.

Mr. Fulson also serves as a government consultant and lobbyist (Agent #2290). He has three years of study toward a Bachelor of Science degree in Business Administration from Wayne State University. Additionally, he is a certified counselor with Religious Science International in Philosophy Studies. He is a delegate to the National Republican Party - Presidential Roundtable, a member of Americans for a Brighter Future, and the Urban Business Professional Association (UBPA).

- Custodian for Accounting Records.  
Henry Nichols, Sr.  
Accounting Manager  
Nicole Energy Services  
513 East Rich Street  
Columbus, OH 43215  
Tel. # 614-221-5004  
Fax # 614-220-4020

20 Nicole Energy Services, Inc., the Applicant, does not own generation facilities, neither as an individual company nor in partnership with other entities, and therefore does not utilize agents to meet the requirements of Sections 451,120 & 451,130. Nicole Energy Services, Inc. has formulated plans to acquire power via purchases made from wholesale generation suppliers, in a similar fashion as the operations in the Pennsylvania area. A copy of the company's organizational chart, as well as a review of the technical and managerial qualifications of the staff of Nicole Energy Services, Inc. can be found on Attachments F1, F2 & G respectively.

Nicole Energy Services, Inc. currently maintains a 24-hour telephone service that customers can use to contact the company in case of emergency. This service will be extended to new customers in Illinois.

21 Nicole Energy Services, Inc. will opt to pursue a dual billing strategy, in which, the Electric Distribution Company (EDC) will provide the ARES with the monthly meter information, Invoices will be sent to the customer separately with the ARES offering the customer the same, or similar due date as the invoice generated by the EDC. The customer will remit payments to each entity separately. The EDC will reserve the sole right to disconnect electric service for non-payment of their portion of the customer's bill. The ARES will reserve the right to drop any customer should the customer's account balance fall 90 days past due. In the case of a customer whose ARES has chosen to drop the service, the customer's electric service would be provided again by the EDC. The ARES will pursue collection of past-due account balances via collection or legal means.

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Wherefore, Applicant requests that the Commission grant its application for service authority to serve retail customers with maximum electrical demands of one (1) megawatt or more, as described in paragraph 7 above.

Respectfully Submitted,

Nicole Energy Services, Inc.

By:   
Freddie L. Fulson

Title: President / Director

Attorney Information:

Alzheimer & Gray  
Attn: Andrew Scott  
10 South Wacker Drive  
Chicago, IL 60606-7482  
Telephone - 312-715-4000  
Fax - 312-715-4800