



11-3946-EL-AGG  
24

June 6, 2011

Public Utilities Commission of Ohio  
Docketing Division 13<sup>th</sup> Floor  
180 East Broad Street  
Columbus, Ohio 43215-3793

Re: **Certification Application for Blue & Silver Energy Consulting, LLC d/b/a Pro-Star Energy Services**

To the Honorable Public Utilities Commission of Ohio,

Enclosed are eleven copies and one original of a "Certification Application For Aggregators/Power Brokers" for Blue & Silver Energy Consulting, LLC d/b/a Pro-Star Energy Services. Please return one file stamped copy to me in the enclosed self-addresses and stamped envelope.

Should you have any questions about this filing or need any additional information, please feel free to call me at 713-651-1522.

Your prompt attention to this matter is greatly appreciated.

Yours very truly,



Phillip T. Golden  
Director, Market Development & General Counsel  
Pro-Star Energy Services

PUCO

2011 JUN 24 PM 3:45

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*The Public Utilities Commission of Ohio*

PUCO USE ONLY		
Date Received	Case Number	Version
	11-3946-EL-AGG	August 2004

## **CERTIFICATION APPLICATION FOR AGGREGATORS/POWER BROKERS**

Please print or type all required information. Identify all attachments with an exhibit label and title (Example: Exhibit A-5 Experience). All attachments should bear the legal name of the Applicant. Applicants should file completed applications and all related correspondence with the Public Utilities Commission of Ohio, Docketing Division; 180 East Broad Street, Columbus, Ohio 43215-3793.

**This PDF form is designed so that you may input information directly onto the form.  
You may also download the form, by saving it to your local disk, for later use.**

### **A. APPLICANT INFORMATION**

#### **A-1 Applicant's legal name, address, telephone number and web site address**

Legal Name Blue & Silver Energy Consulting, LLC  
Address 1021 Main Street, Suite 1575, Houston, TX 77002  
Telephone # (713) 651-1522 Web site address (if any) www.pro-starenergy.com

#### **A-2 List name, address, telephone number and web site address under which Applicant will do business in Ohio**

Legal Name Pro-Star Energy Services  
Address 1021 Main Street, Suite 1575, Houston, TX 77002  
Telephone # (713) 651-1522 Web site address (if any) www.pro-starenergy.com

#### **A-3 List all names under which the applicant does business in North America**

Pro-Star Energy Services  
Blue & Silver Energy Consulting, LLC

#### **A-4 Contact person for regulatory or emergency matters**

Name Phillip T. Golden  
Title Director of Market Development & General Counsel

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Business address 1021 Main Street, Suite 1575, Houston, TX 77002

Telephone # (713) 651-1522

Fax # (866) 226-2982

E-mail address (if any) pgolden@pro-starenergy.com

**A-5 Contact person for Commission Staff use in investigating customer complaints**

Name Phillip T. Golden

Title Director of Market Development & General Counsel

Business address 1021 Main Street, Suite 1575, Houston, TX 77002

Telephone # (713) 651-1522

Fax # (866) 226-2982

E-mail address (if any) pgolden@pro-starenergy.com

**A-6 Applicant's address and toll-free number for customer service and complaints**

Customer Service address 1021 Main Street, Suite 1575 Houston, TX 77035

Toll-free Telephone # (855) 843-7778

Fax # (866) 226-2982

E-mail address (if any) customerservice@pro-starenergy.com

**A-7 Applicant's federal employer identification number # 264289959**

**A-8 Applicant's form of ownership (check one)**

☐ Sole Proprietorship

☐ Partnership

☐ Limited Liability Partnership (LLP)

☐ Limited Liability Company (LLC)

☐ Corporation

☐ Other

**A-9 (Check all that apply) Identify each electric distribution utility certified territory in which the applicant intends to provide service, including identification of each customer class that the applicant intends to serve, for example, residential, small commercial, mercantile commercial, and industrial. (A mercantile customer, as defined in (A) (19) of Section 4928.01 of the Revised Code, is a commercial customer who consumes more than 700,000 kWh/year or is part of a national account in one or more states).**

**☐ First Energy**

<input type="checkbox"/> Ohio Edison	<input type="checkbox"/> Residential	<input type="checkbox"/> Commercial	<input type="checkbox"/> Mercantile	<input type="checkbox"/> Industrial
<input type="checkbox"/> Toledo Edison	<input type="checkbox"/> Residential	<input type="checkbox"/> Commercial	<input type="checkbox"/> Mercantile	<input type="checkbox"/> Industrial
<input type="checkbox"/> Cleveland Electric Illuminating	<input type="checkbox"/> Residential	<input type="checkbox"/> Commercial	<input type="checkbox"/> Mercantile	<input type="checkbox"/> Industrial
<input type="checkbox"/> Cincinnati Gas & Electric	<input type="checkbox"/> Residential	<input type="checkbox"/> Commercial	<input type="checkbox"/> Mercantile	<input type="checkbox"/> Industrial
<input type="checkbox"/> Monongahela Power	<input type="checkbox"/> Residential	<input type="checkbox"/> Commercial	<input type="checkbox"/> Mercantile	<input type="checkbox"/> Industrial
<input type="checkbox"/> American Electric Power				
<input type="checkbox"/> Ohio Power	<input type="checkbox"/> Residential	<input type="checkbox"/> Commercial	<input type="checkbox"/> Mercantile	<input type="checkbox"/> Industrial
<input type="checkbox"/> Columbus Southern Power	<input type="checkbox"/> Residential	<input type="checkbox"/> Commercial	<input type="checkbox"/> Mercantile	<input type="checkbox"/> Industrial
<input type="checkbox"/> Dayton Power and Light	<input type="checkbox"/> Residential	<input type="checkbox"/> Commercial	<input type="checkbox"/> Mercantile	<input type="checkbox"/> Industrial

- A-10 Provide the approximate start date that the applicant proposes to begin delivering services

June 1, 2011

**PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:**

- A-11 **Exhibit A-11 "Principal Officers, Directors & Partners"** provide the names, titles, addresses and telephone numbers of the applicant's principal officers, directors, partners, or other similar officials.
- A-12 **Exhibit A-12 "Corporate Structure,"** provide a description of the applicant's corporate structure, including a graphical depiction of such structure, and a list of all affiliate and subsidiary companies that supply retail or wholesale electricity or natural gas to customers and companies that aggregate customers in North America.
- A-13 **Exhibit A-13 "Company History,"** provide a concise description of the applicant's company history and principal business interests.
- A-14 **Exhibit A-14 "Articles of Incorporation and Bylaws,"** if applicable, provide the articles of incorporation filed with the state or jurisdiction in which the Applicant is incorporated and any amendments thereto.
- A-15 **Exhibit A-15 "Secretary of State,"** provide evidence that the applicant has registered with the Ohio Secretary of the State.

## **B. APPLICANT MANAGERIAL CAPABILITY AND EXPERIENCE**

**PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:**

- B-1 **Exhibit B-1 "Jurisdictions of Operation,"** provide a list of all jurisdictions in which the applicant or any affiliated interest of the applicant is, at the date of filing the application, certified, licensed, registered, or otherwise authorized to provide retail or wholesale electric services including aggregation services.
- B-2 **Exhibit B-2 "Experience & Plans,"** provide a description of the applicant's experience and plan for contracting with customers, providing contracted services, providing billing statements, and responding to customer inquiries and complaints in accordance with Commission rules adopted pursuant to Section 4928.10 of the Revised Code.

**B-3** **Exhibit B-3 "Summary of Experience,"** provide a concise summary of the applicant's experience in providing aggregation service(s) including contracting with customers to combine electric load and representing customers in the purchase of retail electric services. (e.g. number and types of customers served, utility service areas, amount of load, etc.).

**B-4** **Exhibit B-4 "Disclosure of Liabilities and Investigations,"** provide a description of all existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant's financial or operational status or ability to provide the services it is seeking to be certified to provide.

**B-5** Disclose whether the applicant, a predecessor of the applicant, or any principal officer of the applicant have ever been convicted or held liable for fraud or for violation of any consumer protection or antitrust laws within the past five years.

☒ No            ☐ Yes

If yes, provide a separate attachment labeled as **Exhibit B-5 "Disclosure of Consumer Protection Violations"** detailing such violation(s) and providing all relevant documents.

**B-6** Disclose whether the applicant or a predecessor of the applicant has had any certification, license, or application to provide retail or wholesale electric service including aggregation service denied, curtailed, suspended, revoked, or cancelled within the past two years.

☒ No            ☐ Yes

If yes, provide a separate attachment labeled as **Exhibit B-6 "Disclosure of Certification Denial, Curtailment, Suspension, or Revocation"** detailing such action(s) and providing all relevant documents.

## **C. APPLICANT FINANCIAL CAPABILITY AND EXPERIENCE**

**PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:**

**C-1** **Exhibit C-1 "Annual Reports,"** provide the two most recent Annual Reports to Shareholders. If applicant does not have annual reports, the applicant should provide similar information in Exhibit C-1 or indicate that Exhibit C-1 is not applicable and why.

**C-2** **Exhibit C-2 "SEC Filings,"** provide the most recent 10-K/8-K Filings with the SEC. If applicant does not have such filings, it may submit those of its parent company. If the applicant does not have such filings, then the applicant may indicate in Exhibit C-2 that the applicant is not required to file with the SEC and why.

- C-3 **Exhibit C-3 “Financial Statements,”** provide copies of the applicant’s two most recent years of audited financial statements (balance sheet, income statement, and cash flow statement). If audited financial statements are not available, provide officer certified financial statements. If the applicant has not been in business long enough to satisfy this requirement, it shall file audited or officer certified financial statements covering the life of the business.
- C-4 **Exhibit C-4 “Financial Arrangements,”** provide copies of the applicant's financial arrangements to conduct CRES as a business activity (e.g., guarantees, bank commitments, contractual arrangements, credit agreements, etc.,).
- C-5 **Exhibit C-5 “Forecasted Financial Statements,”** provide two years of forecasted financial statements (balance sheet, income statement, and cash flow statement) for the applicant’s CRES operation, along with a list of assumptions, and the name, address, e-mail address, and telephone number of the preparer.
- C-6 **Exhibit C-6 “Credit Rating,”** provide a statement disclosing the applicant’s credit rating as reported by two of the following organizations: Duff & Phelps, Dun and Bradstreet Information Services, Fitch IBCA, Moody’s Investors Service, Standard & Poors, or a similar organization. In instances where an applicant does not have its own credit ratings, it may substitute the credit ratings of a parent or affiliate organization, provided the applicant submits a statement signed by a principal officer of the applicant’s parent or affiliate organization that guarantees the obligations of the applicant.
- C-7 **Exhibit C-7 “Credit Report,”** provide a copy of the applicant’s credit report from Experion, Dun and Bradstreet or a similar organization.
- C-8 **Exhibit C-8 “Bankruptcy Information,”** provide a list and description of any reorganizations, protection from creditors or any other form of bankruptcy filings made by the applicant, a parent or affiliate organization that guarantees the obligations of the applicant or any officer of the applicant in the current year or within the two most recent years preceding the application.

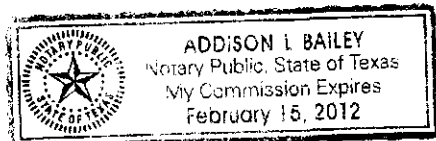
C-9 **Exhibit C-9 "Merger Information,"** provide a statement describing any dissolution or merger or acquisition of the applicant within the five most recent years preceding the application.

JB Kott President  
Signature of Applicant & Title

Sworn and subscribed before me this 6th day of June, 2011  
Month Year

Addison Bailey  
Signature of official administering oath

\_\_\_\_\_  
Print Name and Title



My commission expires on 2/15/12

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# **AFFIDAVIT**

State of Texas :

Houston ss.

(Town)

County of Harris :

J. Brian Letbetter, Affiant, being duly sworn/affirmed according to law, deposes and says that:

He/She is the President (Office of Affiant) of Blue & Silver Energy Consulting, LLC (Name of Applicant);

That he/she is authorized to and does make this affidavit for said Applicant,

1. The Applicant herein, attests under penalty of false statement that all statements made in the application for certification are true and complete and that it will amend its application while the application is pending if any substantial changes occur regarding the information provided in the application.
2. The Applicant herein, attests it will timely file an annual report with the Public Utilities Commission of Ohio of its intrastate gross receipts, gross earnings, and sales of kilowatt-hours of electricity pursuant to Division (A) of Section 4905.10, Division (A) of Section 4911.18, and Division (F) of Section 4928.06 of the Revised Code.
3. The Applicant herein, attests that it will timely pay any assessments made pursuant to Sections 4905.10, 4911.18, or Division F of Section 4928.06 of the Revised Code.
4. The Applicant herein, attests that it will comply with all Public Utilities Commission of Ohio rules or orders as adopted pursuant to Chapter 4928 of the Revised Code.
5. The Applicant herein, attests that it will cooperate fully with the Public Utilities Commission of Ohio, and its Staff on any utility matter including the investigation of any consumer complaint regarding any service offered or provided by the Applicant.
6. The Applicant herein, attests that it will fully comply with Section 4928.09 of the Revised Code regarding consent to the jurisdiction of Ohio Courts and the service of process.
7. The Applicant herein, attests that it will comply with all state and/or federal rules and regulations concerning consumer protection, the environment, and advertising/promotions.
8. The Applicant herein, attests that it will use its best efforts to verify that any entity with whom it has a contractual relationship to purchase power is in compliance with all applicable licensing requirements of the Federal Energy Regulatory Commission and the Public Utilities Commission of Ohio.
9. The Applicant herein, attests that it will cooperate fully with the Public Utilities Commission of Ohio, the electric distribution companies, the regional transmission entities, and other electric suppliers in the event of an emergency condition that may jeopardize the safety and reliability of the electric service in accordance with the emergency plans and other procedures as may be determined appropriate by the Commission.
10. If applicable to the service(s) the Applicant will provide, the Applicant herein, attests that it will adhere to the reliability standards of (1) the North American Electric Reliability Council (NERC), (2) the appropriate regional reliability council(s), and (3) the Public Utilities Commission of Ohio. (Only applicable if pertains to the services the Applicant is offering)



11. The Applicant herein, attests that it will inform the Commission of any material change to the information supplied in the application within 30 days of such material change, including any change in contact person for regulatory purposes or contact person for Staff use in investigating customer complaints.

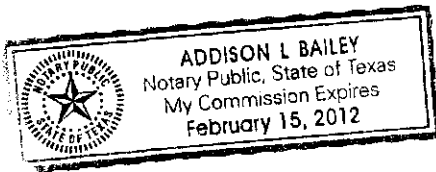
That the facts above set forth are true and correct to the best of his/her knowledge, information, and belief and that he/she expects said Applicant to be able to prove the same at any hearing hereof.

JB Kottus President  
Signature of Affiant & Title

Sworn and subscribed before me this 6th day of June, 2011  
Month Year

Addison Bailey  
Signature of official administering oath

\_\_\_\_\_  
Print Name and Title



My commission expires on 2/15/12

## INFORMATION FOR APPLICATION FOR AGGREGATORS/POWER BROKERS

### Exhibit A-11 "Principal Officers, Directors, and Partners"

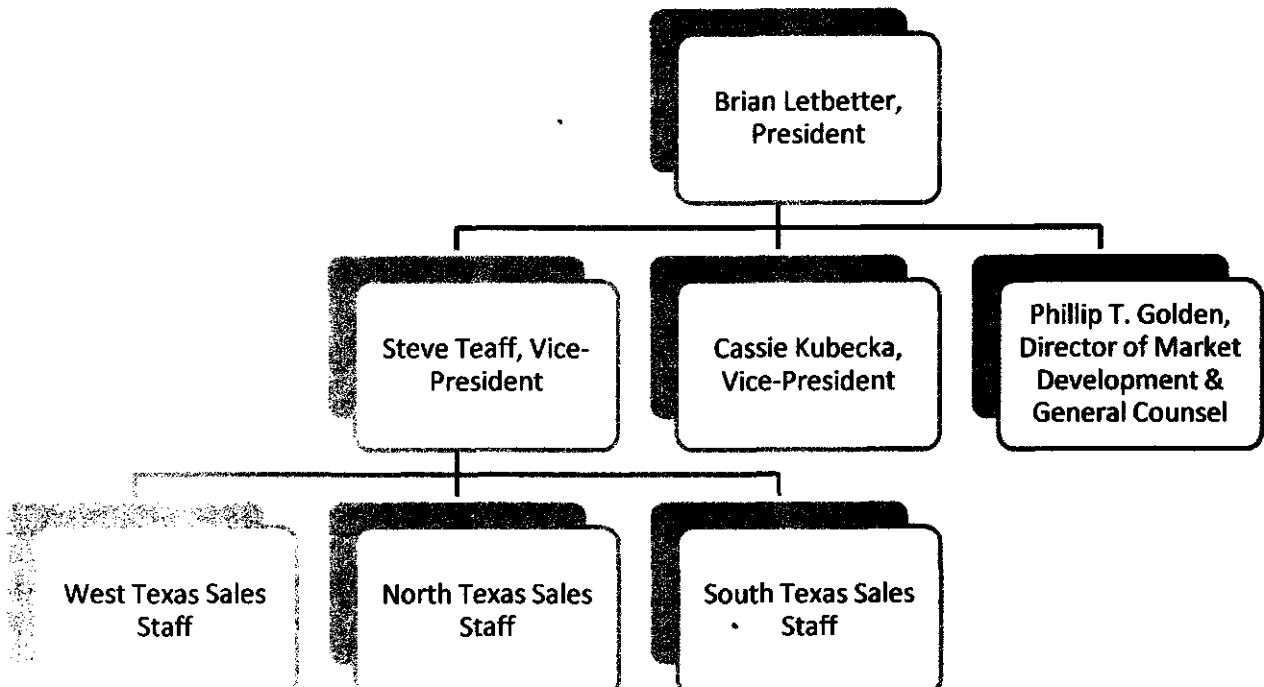
Brian Letbetter  
President  
1021 Main Street, Suite 1575  
Houston, Texas 77002  
713-651-1522

Steve Teaff  
Vice-President, Client Services  
1 Legends Way  
Arlington, Texas 76011  
817-892-4250

Cassie Kubecka  
Vice-President  
1021 Main Street, Suite 1575  
Houston, Texas 77002  
713-651-1522

### Exhibit A-12 "Corporate Structure"

Blue & Silver Energy Consulting has no affiliates or subsidiary companies and does not directly provide wholesale electricity or natural gas to its clientele. Rather, it is a consulting company that works with end users to help them manage their energy cost exposure.



#### Exhibit A-13 "Company History"

Founded in February 2009, Pro-Star Energy Services is an energy consulting firm with executives and staff with over 180 years of combined energy experience ranging from reading meters and setting utility polls to managing a professional sales force at a Fortune 500 Retail Electric Provider to wholesale market design in PJM and ERCOT to contract negotiation and structuring of advanced retail electric products. Since its inception, Pro-Star has been committed to working with clients and helping to level the playing field between suppliers and end-use customers. Following is a brief biography of key leadership personnel.

#### Brian Letbetter

Brian has 26 years of experience in the electricity industry, ranging from transmission and distribution infrastructure, to leading a state wide sales force that grew revenues from \$120 million to over \$2.4 billion by the end of 2008. His understanding and experience in product design and upstream transactions of energy provide an ability to deliver results for his clients, making him ideally suited to lead a diverse and deeply-talented team.

#### Steve L. Teaff

Steve possesses 30 years of experience in the electric industry, ranging from journeyman lineman, commercial/industrial key account management, to daily supervision of a large team of professional account executives in the industry. Steve understands that listening to his customers and delivering on commitments, is critical to the overall customer experience.

#### Cassie Kubecka

Cassie has been engaged in the electric industry since 2004. Her roles and responsibilities have included managing a sales staff of approximately 15 professionals and directing the retail electric operations across a broad and diverse geographical area. In addition, she has worked with large, sophisticated industrial and commercial customers and understands that individualized attention to their needs and resolving their issues is critical to delivering value.

#### Phillip T. Golden

Phillip has 10 years of experience in the electric industry on both the wholesale and retail sides. He was responsible for developing products and contract language for one of the 3 largest retail energy suppliers in North America. He has helped end-use consumers negotiate contracts on advantageous terms with multiple retailers. Phillip's comprehensive knowledge of retail and wholesale markets in Texas and other major markets is unrivaled in the industry. As well, Phillip's knowledge of product design coupled with his experience in contract language ensures that we can provide our clients with an exceptional level of in-house guidance.

#### Exhibit A-14: "Articles of Incorporation and Bylaws"

Since Pro-Star is a limited liability company duly incorporated in the State of Texas, we do not believe that this information is required from us. If it is, it will be provided under confidential seal upon request from the Commission.

#### Exhibit A-15: "Secretary of State"

Pro-Star filed its application with the Ohio Secretary of State on or about May 12, 2011 and expects to be approved. Once approval is received, additional information Pro-Star will supplement its application with this information.

**EXHIBIT B-1: Jurisdictions of Operation**

Pro-Star is currently licensed in Texas. We are in the process of completing registration requirements in Illinois and New Jersey. We do not take title to power in any jurisdiction and provide energy consulting services for our clients.

## **EXHIBIT B-2 “Experience & Plans”**

The leadership team at Pro-Star has literally worked with tens of thousands of end use customers around the nation to enter in to retail electric supply agreements in multiple jurisdictions, including all competitive markets in the U.S. and some areas of Canada. Please see Exhibit A-13 for additional details about the background of Pro-Star’s leadership team.

Since its inception in February 2009, Pro-Star represents over 500 commercial and industrial clients in Texas and overseas. These clients range in size from over 100,000 MWH annually to as small as 500 MWH annually. These end users became clients of Pro-Star through execution of a consulting agreement which sets forth the relationships between the parties, provides contact information for both Pro-Star and the client, and includes the fees and services that Pro-Star provides to its clients.

Since Pro-Star provides exclusively consulting services and never takes title to electricity or natural gas, we believe that the requirements of Section 4928.10 of the Revised Code do not apply.

### **EXHIBIT B-3 "Summary of Experience"**

While Pro-Star is licensed as an aggregator in Texas, our focus has primarily been on clients who, for a variety of reasons, have elected not to aggregate. However, prior to joining Pro-Star, the leadership team was involved in the three largest governmental aggregations in Texas. Combined, these aggregations have a peak demand of over 1,000 MW. In addition to negotiating standardized terms for all members of the aggregation, the professionals at Pro-Star also used in-house developed methodologies to minimize the risk of cross-subsidies among clients.

As of May, 2011, Pro-Star represents over 500 clients with annualized usage of over 1,750,000 MWH. These clients range in size from over 100,000 MWH to less than 500 MWH and are located all over Texas and in California, Illinois and New Jersey, as well as over-seas. For a majority of our customers, we utilize pre-negotiated contracts with potential suppliers that contain terms that are more favorable than those that are available in an "off-the-shelf" contract. For larger clients with more sophisticated needs, we provide additional contract negotiations as well as more extensive product analysis to help them determine the best product to use to manage their energy purchasing risk.

#### **EXHIBIT B-4 "DISCLOSURE OF LIABILITIES AND INVESTIGATIONS"**

At the time of this filing, neither Pro-Star nor any of its principals or employees are involved in any litigation relating to the business. There are no pending or past judgment or contingent liabilities, nor has Pro-Star been the subject of any regulatory investigations or had any licenses or permits revoked. In short, there are no issues of which Pro-Star and its executives are aware, to the best of their knowledge and belief, that could adversely impact Pro-Star's financial or operational status or ability to provide the services it is seeking to be certified to provide.

**EXHIBIT C-1 "Annual Reports"**

As a privately held limited liability corporation, Pro-Star does not produce annual reports. Pro-Star believes that the information it will provide as Exhibit C-3 will provide sufficient information for the Commission to grant a license to Pro-Star.



**EXHIBIT C-2 "SEC FILINGS"**

As a privately held limited liability corporation, Pro-Star is not required to file with the SEC.

**EXHIBIT C-3 "FINANCIAL STATEMENTS"**

Attached are officer certified financial statements for the past 2 years. This should be treated as confidential to the extent permitted by Ohio Law.

2:35 PM  
02/24/11  
Cash Basis

**Blue & Silver Energy Consulting, LLC**  
**Balance Sheet**  
As of December 31, 2010

**ASSETS**

**Current Assets**

**Checking/Savings**

Chase-Operating 330,682.90

**Total Checking/Savings** 330,682.90

Receivables 3,115,266.63

**Total Receivables** 3,115,266.63

**Other Current Assets**

Security Deposit 5,000.00

**Total Other Current Assets** 5,000.00

**Total Current Assets** 335,682.90

**Fixed Assets**

Computer Equipment 20,229.16

Furniture and Equipment 19,469.04

Accumulated Depreciation -23,266.00

**Total Fixed Assets** 16,432.20

**Other Assets**

Organization Cost 55,570.78

Accumulated Amortization -8,204.00

**Total Other Assets** 47,366.78

**TOTAL ASSETS** 3,514,748.51

**LIABILITIES & EQUITY**

**Equity**

JBL Interest 2,193,369.65

Blue & Silver Ventures 1,794,573.87

Net Income -473,195.01

**Total Equity** 3,514,748.51

**TOTAL LIABILITIES & EQUITY** 3,514,748.51

**EXHIBIT C-4 "FINANCIAL ARRANGEMENTS"**

Since Pro-Star is not filing as a competitive retail electric supplier (CRES), the information sought in Exhibit C-4 is not required nor is it available.

**EXHIBIT C-5 "FORECASTED FINANCIAL STATEMENTS"**

Since Pro-Star is not applying to serve as a competitive retail electric supplier ("CRES"), the information sought in Exhibit C-5 is not required.

**EXHIBIT C-6 "CREDIT RATING"**

Pro-Star does not have a credit rating from any of the companies listed in Exhibit C-6 and therefore cannot provide this information.

**EXHIBIT C-7 "CREDIT REPORT"**

Pro-Star Energy Services does not have a credit report with any of the listed agencies and therefore is not able to provide the requested information.

**EXHIBIT C-8 "BANKRUPTCY INFORMATION"**

Pro-Star Energy Services has not been involved in any reorganizations, protections from creditors, bankruptcy proceedings, or any other similar proceedings.