

FILE (NC)

BEERY & SPURLOCK CO., L.P.A.

(29)

Michael Spurlock
Eric W. Beery

Attorneys and Counselors at Law

David A. Turano,
of counsel

November 10, 2014

The Public Utilities Commission of Ohio
Docketing Division
Attention: Barcy F. McNeal, Secretary
180 East Broad Street, 11th Floor
Columbus, Ohio 43215

RECEIVED-DOCKETING DIV
2014 NOV 10 PM 1:47
PUCO

**RE: Case No. 14-1962-GA-CRS
HighPower Energy, LLC
(CRNGS Initial Certification Application)**


Secretary McNeal:

Enclosed for filing on behalf of HighPower Energy, LLC, please find the following:

1. Original and one (1) copy of a Initial Certification Application – Competitive Retail Natural Gas Suppliers;
2. Under seal, original and two (2) copies of Exhibits C-3, C-4, and C-5 to the above application; and
3. The original and one (1) copy of a Motion for Protective Order as relates to Exhibits C-3, C-4, and C-5.

Please acknowledge receipt by date-stamping and returning the additional copies of these filings. Thank you, in advance, for your attention to this matter.

Very truly yours,



David A. Turano

DAT/bkf

Enclosures

cc: HighPower Energy, LLC

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business
Technician PC Date Processed NOV 10 2014



PUCO USE ONLY – Version 1.07		
Date Received	Case Number	Certification Number
	- GA-CRS	

CERTIFICATION APPLICATION COMPETITIVE RETAIL NATURAL GAS SUPPLIERS

Please type or print all required information. Identify all attachments with an exhibit label and title (*Example: Exhibit A-16 - Company History*). 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 directly input information onto the form. You may also download the form by saving it to your local disk.

SECTION A - APPLICANT INFORMATION AND SERVICES

A-1 Applicant intends to be certified as: (check all that apply)

☐ Retail Natural Gas Aggregator ☒ Retail Natural Gas Broker ☒ Retail Natural Gas Marketer

A-2 Applicant information:

Legal Name HighPower Energy, LLC
Address 3577 Commerce Drive Middletown, Ohio 45005
Telephone No. (513) 423-4272 Web site Address www.highpowerenergy.com

A-3 Applicant information under which applicant will do business in Ohio:

Name HighPower Energy, LLC
Address 3577 Commerce Drive Middletown, Ohio 45005
Web site Address www.highpowerenergy.com Telephone No. (513) 423-4272

A-4 List all names under which the applicant does business in North America:

HighPower Energy, LLC

A-5 Contact person for regulatory or emergency matters:

Name Dawn Lindsey Title Vice President
Business Address 3577 Commerce Drive Middletown, Ohio 45005
Telephone No. (513) 423-4272 Fax No. (513) 423-5750 Email Address dawn@highpowerenergy.com

RECEIVED-DOCKETING DIV
2014 NOV 10 PM 1:47
PUCO

A-6 Contact person for Commission Staff use in investigating customer complaints:

Name Dawn Lindsey Title Vice President
Business address 3577 Commerce Drive Middletown, Ohio 45005
Telephone No. (513) 423-4272 Fax No. (513) 423-5750 Email Address dawn@highpowerenergy.com

A-7 Applicant's address and toll-free number for customer service and complaints

Customer service address 3577 Commerce Drive Middletown, Ohio 45005
Toll-Free Telephone No. 888-410-6448 Fax No. (513) 423-5750 Email Address dawn@highpowerenergy.com

A-8 Provide "Proof of an Ohio Office and Employee," in accordance with Section 4929.22 of the Ohio Revised Code, by listing name, Ohio office address, telephone number, and Web site address of the designated Ohio Employee

Name Stephen L. Hightower Title President
Business address 3577 Commerce Drive Middletown, Ohio 45005
Telephone No. (513) 423-4272 Fax No. (513) 423-5750 Email Address steve@highpowerenergy.com

A-9 Applicant's federal employer identification number 47-2059431

A-10 Applicant's form of ownership: (Check one)

- | | |
|--|---|
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Partnership |
| <input type="checkbox"/> Limited Liability Partnership (LLP) | <input checked="" type="checkbox"/> Limited Liability Company (LLC) |
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Other |

A-11 (Check all that apply) Identify each natural gas company service area in which the applicant is currently providing service or intends to provide service, including identification of each customer class that the applicant is currently serving or intends to serve, for example: *residential, small commercial, and/or large commercial/industrial (mercantile) customers*. (A mercantile customer, as defined in Section 4929.01(L)(1) of the Ohio Revised Code, means a customer that consumes, other than for residential use, more than 500,000 cubic feet of natural gas per year at a single location within the state or consumes natural gas, other than for residential use, as part of an undertaking having more than three locations within or outside of this state. In accordance with Section 4929.01(L)(2) of the Ohio Revised Code, "Mercantile customer" excludes a not-for-profit customer that consumes, other than for residential use, more than 500,000 cubic feet of natural gas per year at a single location within this state or consumes natural gas, other than for residential use, as part of an undertaking having more than three locations within or outside this state that has filed the necessary declaration with the Public Utilities Commission.)

<input checked="" type="checkbox"/>	Columbia Gas of Ohio	<input type="checkbox"/> Residential	<input checked="" type="checkbox"/> Small Commercial	<input checked="" type="checkbox"/> Large Commercial / Industrial
<input checked="" type="checkbox"/>	Dominion East Ohio	<input type="checkbox"/> Residential	<input checked="" type="checkbox"/> Small Commercial	<input checked="" type="checkbox"/> Large Commercial / Industrial
<input checked="" type="checkbox"/>	Duke Energy Ohio	<input type="checkbox"/> Residential	<input checked="" type="checkbox"/> Small Commercial	<input checked="" type="checkbox"/> Large Commercial / Industrial
<input checked="" type="checkbox"/>	Vectren Energy Delivery of Ohio	<input type="checkbox"/> Residential	<input checked="" type="checkbox"/> Small Commercial	<input checked="" type="checkbox"/> Large Commercial / Industrial

A-12 If applicant or an affiliated interest previously participated in any of Ohio's Natural Gas Choice Programs, for each service area and customer class, provide approximate start date(s) and/or end date(s) that the applicant began delivering and/or ended services.

☐ Columbia Gas of Ohio

<input type="checkbox"/> Residential	Beginning Date of Service	End Date
<input type="checkbox"/> Small Commercial	Beginning Date of Service	End Date
<input type="checkbox"/> Large Commercial	Beginning Date of Service	End Date
<input type="checkbox"/> Industrial	Beginning Date of Service	End Date

☐ Dominion East Ohio

<input type="checkbox"/> Residential	Beginning Date of Service	End Date
<input type="checkbox"/> Small Commercial	Beginning Date of Service	End Date
<input type="checkbox"/> Large Commercial	Beginning Date of Service	End Date
<input type="checkbox"/> Industrial	Beginning Date of Service	End Date

☐ Duke Energy Ohio

<input type="checkbox"/> Residential	Beginning Date of Service	End Date
<input type="checkbox"/> Small Commercial	Beginning Date of Service	End Date
<input type="checkbox"/> Large Commercial	Beginning Date of Service	End Date
<input type="checkbox"/> Industrial	Beginning Date of Service	End Date

☐ Vectren Energy Delivery of Ohio

<input type="checkbox"/> Residential	Beginning Date of Service	End Date
<input type="checkbox"/> Small Commercial	Beginning Date of Service	End Date
<input type="checkbox"/> Large Commercial	Beginning Date of Service	End Date
<input type="checkbox"/> Industrial	Beginning Date of Service	End Date

A-13 If not currently participating in any of Ohio's four Natural Gas Choice Programs, provide the approximate start date that the applicant proposes to begin delivering services:

<input type="checkbox"/>	Columbia Gas of Ohio	Intended Start Date	
<input type="checkbox"/>	Dominion East Ohio	Intended Start Date	
<input checked="" type="checkbox"/>	Duke Energy Ohio	Intended Start Date	December 2014
<input type="checkbox"/>	Vectren Energy Delivery of Ohio	Intended Start Date	

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED.

- A-14 Exhibit A-14 "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-15 Exhibit A-15 "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 natural gas or electricity to customers in North America.
- A-16 Exhibit A-16 "Company History,"** provide a concise description of the applicant's company history and principal business interests.
- A-17 Exhibit A-17 "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-18 Exhibit A-18 "Secretary of State,"** provide evidence that the applicant is currently registered with the Ohio Secretary of the State.

SECTION 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 current 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 natural gas service, or retail/wholesale electric services.
- B-2 Exhibit B-2 "Experience & Plans,"** provide a current 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 4929.22 of the Revised Code and contained in Chapter 4901:1-29 of the Ohio Administrative Code.
- B-3 Exhibit B-3 "Summary of Experience,"** provide a concise and current summary of the applicant's experience in providing the service(s) for which it is seeking to be certified to provide (e.g., number and types of customers served, utility service areas, volume of gas supplied, etc.).
- B-4 Exhibit B-4 "Disclosure of Liabilities and Investigations,"** provide a description of all existing, pending or past rulings, judgments, contingent liabilities, revocations 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 Exhibit B-5 "Disclosure of Consumer Protection Violations,"** disclose whether the applicant, affiliate, predecessor of the applicant, or any principal officer of the applicant has 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 Exhibit B-6 "Disclosure of Certification Denial, Curtailment, Suspension, or Revocation,"** disclose whether the applicant or a predecessor of the applicant has had any certification, license, or application to provide retail natural gas or retail/wholesale electric service denied, curtailed, suspended, or revoked, or whether the applicant or predecessor has been terminated from any of Ohio's Natural Gas Choice programs, or been in default for failure to deliver natural gas.

☒ 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.

SECTION 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, labeled as 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 whether 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 current financial arrangements to conduct competitive retail natural gas service (CRNGS) 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 CRNGS operation, along with a list of assumptions, and the name, address, email address, and telephone number of the preparer.

- C-6 Exhibit C-6 "Credit Rating,"** provide a statement disclosing the applicant's current 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 current credit report from Experian, 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 since applicant last filed for certification.
- 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, or at any time as a participant in the Ohio Natural Gas Choice programs.

SECTION D - APPLICANT TECHNICAL CAPABILITY

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED.

- D-1 Exhibit D-1 "Operations,"** provide a current written description of the operational nature of the applicant's business. Please include whether the applicant's operations will include the contracting of natural gas purchases for retail sales, the nomination and scheduling of retail natural gas for delivery, and the provision of retail ancillary services, as well as other services used to supply natural gas to the natural gas company city gate for retail customers.
- D-2 Exhibit D-2 "Operations Expertise,"** given the operational nature of the applicant's business, provide evidence of the applicant's current experience and technical expertise in performing such operations.
- D-3 Exhibit D-3 "Key Technical Personnel,"** provide the names, titles, email addresses, telephone numbers, and background of key personnel involved in the operational aspects of the applicant's current business.

Applicant Signature and Title

[Handwritten Signature]

President

Sworn and subscribed before me this

27

day of October

Month 2014

Year

Signature of official administering oath

[Handwritten Signature]

Print Name and Title

Ruby D Cox, Admin

RUBY D COX, Notary Public
In and for the State of Ohio
My Commission Expires October 29, 2017

My commission expires on

10-29-17



The Public Utilities Commission of Ohio

Competitive Retail Natural Gas Service Affidavit Form (Version 1.07)

In the Matter of the Application of)

HighPower Energy, LLC)

for a Certificate or Renewal Certificate to Provide)

Competitive Retail Natural Gas Service in Ohio.)

Case No.

14

-GA-CRS

County of

State of

Ohio

Stephen L. Hightower

[Affiant], being duly sworn/affirmed, hereby states that:

- (1) The information provided within the certification or certification renewal application and supporting information is complete, true, and accurate to the best knowledge of affiant.
- (2) The applicant will timely file an annual report of its intrastate gross receipts and sales of hundred cubic feet of natural gas pursuant to Sections 4905.10(A), 4911.18(A), and 4929.23(B), Ohio Revised Code.
- (3) The applicant will timely pay any assessment made pursuant to Section 4905.10 or Section 4911.18(A), Ohio Revised Code.
- (4) Applicant will comply with all applicable rules and orders adopted by the Public Utilities Commission of Ohio pursuant to Title 49, Ohio Revised Code.
- (5) Applicant will cooperate with the Public Utilities Commission of Ohio and its staff in the investigation of any consumer complaint regarding any service offered or provided by the applicant.
- (6) Applicant will comply with Section 4929.21, Ohio Revised Code, regarding consent to the jurisdiction of the Ohio courts and the service of process.
- (7) Applicant will inform the Public Utilities Commission of Ohio of any material change to the information supplied in the certification or certification renewal application within 30 days of such material change, including any change in contact person for regulatory or emergency purposes or contact person for Staff use in investigating customer complaints.
- (8) Affiant further sayeth naught.

Affiant Signature & Title

[Signature]

President

Sworn and subscribed before me this

day of October

Month

2014

Year

[Signature]
Signature of Official Administering Oath

[Signature]
Print Name and Title

RUBY D COX, Notary Public
In and for the State of Ohio

My Commission Expires October 29, 2017

My commission expires on

10-29-17

(CRNGS Supplier -Version 1.07) Page 7 of 7

**Case No 14-1962-GA-CRS
HighPower Energy, LLC
(CRNGS Initial Certification)**

A-14 Exhibit A-14 "Principal Officers, Directors & Partners"

<u>Name</u>	<u>Title</u>	<u>Address</u>
Stephen L. Hightower	President CEO	3577 Commerce Drive Middletown, OH 45005 513-423-4272
Stephen L. Hightower II	COO	3577 Commerce Drive Middletown, OH 45005 513-423-4272
Gary Visher	CFO	3577 Commerce Drive Middletown, OH 45005 513-423-4272
Dawn Lindsey	VP	3577 Commerce Drive Middletown, OH 45005 513-423-4272
Thomas Hoover	GM	3577 Commerce Drive Middletown, OH 45005 513-423-4272

A-15 Exhibit A-15 "Corportate Structure"

HighPower Energy, LLC is a stand-alone limited liability company that is physically located in Middletown, Ohio. HighPower Energy, LLC is a single-member limited liability company with Stephen L. Hightower being the sole member. There are no affiliate or subsidiary companies that supply retail or wholesale natural gas or electricity to customers in North America.

A-16 Exhibit A-16 "Company History"

HighPower Energy, LLC (applicant) is a recently-formed Ohio limited liability company established for the primary purpose of providing certificated natural gas marketing services for Ohio-based commercial and industrial customers. Using a strategy that will put customer energy needs and goals at the forefront, applicant will help customers develop, manage and save energy resources and supply at reasonable costs. Stephen L. Hightower, applicant's founder and only

**Case No 14-1962-GA-CRS
HighPower Energy, LLC
(CRNGS Initial Certification)**

member (owner), and his operating team have a strong history of energy development, management, sales and delivery. See responses to Exhibits B-2, B-3, D-1 and D-3 below.

**Case No 14-1962-GA-CRS
HighPower Energy, LLC
(CRNGS Initial Certification)**

A-17 Exhibit A-17 "Articles of Incorporation and Bylaws"

HighPower Energy, LLC is an Ohio limited liability company and, as such, does not have articles of incorporation or bylaws. The articles of organization of HighPower Energy, LLC as filed with the Ohio Secretary of State are attached.



DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
09/04/2014	201424501793	ARTICLES OF ORGNZTN/DOM. PROFIT LIM.LIAB. CO. (LCP)	125.00	0.00	0.00	0.00	0.00

Receipt

This is not a bill. Please do not remit payment.

FLAGEL & PAPAKIRK LLC
50 E BUSINESS WAY
SUITE 410
CINCINNATI, OH 45241

**STATE OF OHIO
CERTIFICATE**

Ohio Secretary of State, Jon Husted
2323596

It is hereby certified that the Secretary of State of Ohio has custody of the business records for
HIGHPOWER ENERGY, LLC

and, that said business records show the filing and recording of:

Document(s)

ARTICLES OF ORGNZTN/DOM. PROFIT LIM.LIAB. CO.
Effective Date: 09/02/2014

Document No(s):

201424501793

United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the
Secretary of State at Columbus, Ohio this
4th day of September, A.D. 2014.

Jon Husted
Ohio Secretary of State



Form 533A Prescribed by:
Ohio Secretary of State
JON HUSTED
Ohio Secretary of State

Date Electronically Filed: 9/2/2014

Central Ohio: (614) 466-3910
Toll Free: (877) SOS-FILE (767-3453)
www.OhioSecretaryofState.gov
Bussserv@OhioSecretaryofState.gov

Articles of Organization for a Domestic Limited Liability Company

Filing Fee: \$125

CHECK ONLY ONE (1) BOX

(1) ☒ Articles of Organization for Domestic
For-Profit Limited Liability Company
(115-LCA)

(2) ☐ 2 Articles of Organization for Domestic
Nonprofit Limited Liability Company
(115-LCA)

Name of Limited Liability Company **HIGHPOWER ENERGY, LLC**

Name must include one of the following words or abbreviations: "limited liability company," "limited," "LLC," "L.L.C.," "Ltd.," or "Ltd"

Effective Date **9/2/2014**
(Optional) mm/dd/yyyy

(The legal existence of the limited liability company begins upon the filing
of the articles or on a later date specified that is not more than ninety days
after filing)

This limited liability company shall exist for
(Optional)

Period of Existence

Purpose
(Optional)

**Note for Nonprofit LLCs

The Secretary of State does not grant tax exempt status. Filing with our office is not sufficient to obtain state or federal tax exemptions. Contact the Ohio Department of Taxation and the Internal Revenue Service to ensure that the nonprofit limited liability company secures the proper state and federal tax exemptions. These agencies may require that a purpose clause be provided.

ORIGINAL APPOINTMENT OF AGENT

The undersigned authorized member(s), manager(s) or representative(s) of

HIGHPOWER ENERGY, LLC

Name of Limited Liability Company

hereby appoint the following to be Statutory Agent upon whom any process, notice or demand required or permitted by statute to be served upon the limited liability company may be served. The name and address of the agent is

JAMES PAPAKIRK

Name of Agent

50 E BUSINESS WAY

Mailing Address

CINCINNATI

City

OH

State

45241

ZIP Code

ACCEPTANCE OF APPOINTMENT

The undersigned, _____ named herein as the statutory agent

JAMES PAPAKIRK

Statutory Agent Name

for

HIGHPOWER ENERGY, LLC

Name of Limited Liability Company

hereby acknowledges and accepts the appointment of agent for said limited liability company

Statutory Agent Signature

JAMES PAPAKIRK

Individual Agent's Signature / Signature on Behalf of Business Serving as Agent

By signing and submitting this form to the Ohio Secretary of State, the undersigned hereby certifies that he or she has the requisite authority to execute this document.

Required

Articles and original appointment of agent must be signed by a member, manager or other representative.

JAMES PAPAKIRK

Signature

If authorized representative is an individual, then they must sign in the "signature" box and print their name in the "Print Name" box.

By (if applicable)

Print Name

If authorized representative is a business entity, not an individual, then please print the business name in the "signature" box, an authorized representative of the business entity must sign in the "By" box and print their name in the "Print Name" box.

Signature

By (if applicable)

Print Name

Signature

By (if applicable)

Print Name

**Case No 14-1962-GA-CRS
HighPower Energy, LLC
(CRNGS Initial Certification)**

A-18 Exhibit A-18 "Secretary of State"

A Certificate of Good Standing for HighPower Energy, LLC as issued by the Ohio Secretary of State is attached.

UNITED STATES OF AMERICA
STATE OF OHIO
OFFICE OF THE SECRETARY OF STATE

I, Jon Husted, do hereby certify that I am the duly elected, qualified and present acting Secretary of State for the State of Ohio, and as such have custody of the records of Ohio and Foreign business entities; that said records show HIGHPOWER ENERGY, LLC, an Ohio For Profit Limited Liability Company, Registration Number 2323596, was organized within the State of Ohio on September 2, 2014, is currently in FULL FORCE AND EFFECT upon the records of this office.



*Witness my hand and the seal of the
Secretary of State at Columbus, Ohio
this 29th day of October, A.D. 2014.*

Jon Husted

Ohio Secretary of State

Validation Number: 201430201128

**Case No 14-1962-GA-CRS
HighPower Energy, LLC
(CRNGS Initial Certification)**

B-1 Exhibit B-1 "Jurisdiction of Operations"

Neither HighPower Energy, LLC nor any affiliated entity is certified, licensed, registered, or otherwise authorized by any jurisdiction to provide retail natural gas service, or retail/wholesale electric services.

B-2 Exhibit B-2 "Experience & Plans"

HighPower Energy, LLC ("HighPower") is a sister company to Hightowers Petroleum Company ("HPC"), a national distributor of petroleum and alternative fuels. Both companies are 100% owned by Stephen L. Hightower. HPC was founded in 1984, building on a family business established in 1957. Mr. Hightower and his organization have become known throughout its corporate footprint for integrity, a strong sense of urgency, and energy solutions that are both unique and creative. The company expertly handles complex upstream and downstream issues. These skills will be transitioned to the natural gas marketing services to be provided by HighPower.

HPC has formed collaborative relationships on a national scale so as to provide an unparalleled level of service and efficiency for the negotiated sale of bulk fuels, on-site fueling, telemetry components for inventory management and the management of liquid fuels, gases and related products. These alliances have greatly enhanced HPC's seamless distribution network across 48 states, Canada and Mexico, as well as adding value to collaborations, delivering economies of scale.

HPC has implemented new ERP software within its organizations to better service its customers' needs as well as numerous programs to service all of its customers' requirements. With electronic billing and accounting functions, electronic remittances eliminates the time delay associated with past postal service inefficiencies.

Additionally HPC has a very high priority for safety and quality. HPC holds the ISO9001/2008 and ISO 14001/2004 certifications which require continuous quality improvement.

HPC through its CRM system enables the learning about customers due to its ability to record every event in which a customer asks for information about our products, buys, requests customer service, etc. Through these interactions, the needs of the customer are identified and will feed future improvements and increase sustainability.

**Case No 14-1962-GA-CRS
HighPower Energy, LLC
(CRNGS Initial Certification)**

For the protection of consumers in this state, HighPower will be providing the following to its consumers:

- > Reputation and financial support of a 56 year family owned enterprise.
- > Provide consumers with adequate, accurate, and understandable pricing and terms and conditions of service, including any switching fees, and with a document containing the terms and conditions of pricing and service before the consumer enters into the contract for service;
- > Disclose the conditions under which a customer may rescind a contract without penalty.
- > Service qualification and termination. HighPower will have a policy that requires that, before a consumer is eligible for service from a retail natural gas supplier or governmental aggregator subject to certification under Ohio law, the consumer shall discharge, or enter into a plan to discharge, all existing arrearages owed to or being billed by the natural gas company from which the consumer presently is receiving service. The policy also shall provide for full disclosure of the terms identifying how customers may switch or terminate service, including any required notice and any penalties.
- > Minimum content of customer bills. The following requirements will be standardized. Additionally, price disclosure and disclosures of total billing units for the billing period and historical annual usage and to the maximum extent practicable, separate listing of each service component to enable a customer to recalculate its bill for accuracy;
- > Identification of the supplier of each service;
- > HighPower will provide a statement of where and how payment may be made and provision of a toll-free or local customer assistance and complaint number for the retail natural gas supplier or governmental aggregator, as well as a consumer assistance telephone number or numbers for state agencies, such as the Public Utilities Commission of Ohio, Office of Consumers' Counsel, and the Ohio Attorney General, with the available hours noted;
- > HighPower will coordination between suppliers for the purpose of maintaining service;
- > The allocation of partial payments between suppliers when service components are jointly billed;
- > A prohibition against switching, or authorizing the switching of, a customer's supplier of competitive retail natural gas service without the prior consent of the customer in accordance

**Case No 14-1962-GA-CRS
HighPower Energy, LLC
(CRNGS Initial Certification)**

with appropriate confirmation practices, which may include independent, third-party verification procedures;

- > HighPower will require disclosure of the conditions under which a customer may rescind a decision to switch its supplier without penalty to include;
- > Specification of any required notice and any penalty for early termination of contract.
- > Minimum service quality, safety, and reliability.

In short, under the requested certification, HighPower will focus on full compliance with the minimum service requirements set forth in Section 4929.22, Ohio Revised Code, as well as the implementing regulations found in Rule 4901:1-29, Ohio Administrative Code, with regard to the marketing, solicitation, sale and provision (directly or through an agent) of any competitive retail natural gas service.

B-3 Exhibit B-3 "Summary of Experience"

As indicated in the response to Exhibit B-2, the numerous positive business attributes developed and enjoyed by Hightowers Petroleum Company will be mirrored by HighPower Energy LLC as a certificated retail natural gas supplier. Additionally, the management team for HighPower Energy LLC includes individuals with significant experience in retail energy supply, finance, regulatory issues and customer management. See responses to Exhibits D-1 and D-3 below.

B-4 Exhibit B-4 "Disclosure of Liabilities and Investigation"

HighPower Energy LLC does not have any existing, pending or past rulings, judgments, contingent liabilities, and revocations of authority, regulatory investigations, or any other matters that could adversely impact its financial or operational status or ability to provide the services it is seeking to provide.

**Case No 14-1962-GA-CRS
HighPower Energy, LLC
(CRNGS Initial Certification)**

C-1 Exhibit C-1 "Annual Reports"

As a start-up company, HighPower Energy, LLC does not as yet have an annual report. See response to Exhibit C-3 below and related confidential information submitted under seal.

C-2 Exhibit C-2 "SEC Filings"

HighPower Energy, LLC is a privately held company and, therefore, does not have SEC filings.

C-3 Exhibit C-3 "Financial Statements"

Exhibit C-3, which includes one or more attachments, contains confidential and proprietary information. Exhibit C-3 has not been filed with this application, but will be concurrently filed under seal pursuant to Rule 4901-1-24, O.A.C. As required by that rule, a Motion for Protective Order will also be filed seeking confidential treatment of the information contained in Exhibit C-3.

C-4 Exhibit C-4 "Financial Arrangements"

Exhibit C-4, which includes one or more attachments, contains confidential and proprietary information. Exhibit C-4 has not been filed with this application, but will be concurrently filed under seal pursuant to Rule 4901-1-24, O.A.C. As required by that rule, a Motion for Protective Order will also be filed seeking confidential treatment of the information contained in Exhibit C-4.

C-5 Exhibit C-5 "Forecasted Financial Statements"

Exhibit C-5, which includes one or more attachments, contains confidential and proprietary information. Exhibit C-5 has not been filed with this application, but will be concurrently filed under seal pursuant to Rule 4901-1-24, O.A.C. As required by that rule, a Motion for Protective Order will also be filed seeking confidential treatment of the information contained in Exhibit C-5.

C-6 Exhibit C-6 "Credit Rating"

As a start-up company, HighPower Energy, LLC does not as yet have a credit rating.

**Case No 14-1962-GA-CRS
HighPower Energy, LLC
(CRNGS Initial Certification)**

C-7 Exhibit C-7 "Credit Report"

As a start-up company, HighPower Energy, LLC does not have a credit report from Experian, Dun and Bradstreet, or a similar organization.

C-8 Exhibit C-8 "Bankruptcy Information"

There are no relevant bankruptcy filings involving HighPower Energy, LLC, an officer of HighPower Energy, LLC, or an affiliate organization of HighPower Energy, LLC.

C-9 Exhibit C-9 "Merger Information"

There is no merger information applicable to HighPower Energy, LLC.

**Case No 14-1962-GA-CRS
HighPower Energy, LLC
(CRNGS Initial Certification)**

D-1 Exhibit D-1 "Operations"

HighPower Energy, LLC ("HighPower") will market natural gas as a licensed CRNGS in Ohio to commercial and industrial customers. In so doing, its initial focus will be on the customer base development and maintained by affiliated companies, primarily Hightowers Petroleum Company. To that end, a comprehensive business plan has been created and will be adopted.

HighPower Business Plan

A steady flow of new customers is essential for success, but it's the current customers who really drive the fortunes of many energy marketing companies. Long-term accounts form a core that stabilizes our business, makes profitability possible, and serves as a ready-made market for new products and services.

Changes in the oil fuels sector over the last few years have caused customer losses to soar, with various commercial and industrial customers abandoning full-service heating oil suppliers to sign on with discounters and natural gas providers/utilities. Those losses are a strong indicator of the risks that threaten companies that do not differentiate themselves from the commodities they resell. When a company self-identifies as a fuel/nat gas provider without clearly establishing their added value, they can appear imminently replaceable to the customer. HighPower will be in strong communications to differentiate us from the rest of the industry as a whole.

To make matters even more challenging, the value that many energy marketers add through service work is esoteric and difficult to appreciate. Consumers are more inclined to take home comfort in their provider for granted than to consider how a tune-up -- or even a system upgrade -- might benefit them. This means that many commercial and industrial customers, by default, will consider our company highly-essential and working in their best interest.

Distribution is the final process to consider in delivering natural gas to customers. Included in our plan is to receive natural gas directly from high capacity interstate and intrastate pipelines (usually contracted through natural gas marketing companies, Duke Energy, Dominion, Columbia), Additionally, consumers receive natural gas from their local gas utility, also called a local distribution company (LDC). LDCs are regulated utilities involved in the delivery of natural gas to consumers within a specific geographic area. This to include monthly nominations & scheduling according to the requirements of HighPower and its consumers.

There are two basic types of natural gas utilities: those owned by investors, and public gas systems owned by local governments.

Local distribution companies typically transport natural gas from delivery points located on interstate and intrastate pipelines to households and businesses through thousands of miles of small-diameter distribution pipe. The delivery point where the natural gas is transferred from a transmission pipeline to the local gas utility is often termed the 'citygate', and is an important market center for the pricing of natural gas in large urban areas. Typically, Utilities take ownership of the natural gas at the citygate, and

Case No 14-1962-GA-CRS
HighPower Energy, LLC
(CRNGS Initial Certification)

deliver it to each individual customer's meter. This requires an extensive network of small-diameter distribution pipe.

Included in HighPower's strategy is to take possession (contractually) of product and sell product at the citygate. Because of the transportation infrastructure required to move natural gas to many diverse customers across a reasonably wide geographic area, distribution costs typically make up about half of natural gas costs for households and small volume customers. While large pipelines can reduce unit costs by transmitting large volumes of natural gas, distribution companies must deliver relatively small volumes to many more different locations.

HighPower Can Change Perceptions

This is nothing to be discouraged about. Supermarkets, gas stations, and utilities all resell commodities, and many of them have found ways to promote loyalty and become stickier. HighPower will do the same. It's all in what your customers believe about the company – and we have full responsibility as well as the ability to change their perceptions.

Improving customer retention is as exciting as pursuing new business or diversifying the company and the results are also more tangible. Along with creating measurable results, such as the addition of new customers, we will try to avoid a negative, i.e. a high loss rate. Success is defined, more or less, as customers staying put and doing nothing new, and there is no threshold moment to signal your success. To retain customers effectively, HighPower will need to do a lot of little things well and continue doing them again and again over time with the goal of improving the customer's perceptions. Here are several initiatives HighPower will take to help customers appreciate what you do for them, including action steps we will take immediately.

HighPower will make a customer retention plan.

- First, evaluate the status quo. What is our customer loss rate? Why do customers leave us? We will try to develop a clear sense of what is happening, so we don't invest a lot of effort in solving the wrong problems. During planning, we will be sure to calculate both the value of an existing account and the cost of replacing that revenue. Our planning will yield the best results when we involve our team. We will be reminding the staff how important retention is to the company's success, and learn what they know about customer defections. By involving them early on, we will gain a better understanding of current conditions, and this will get employees more engaged in the company's success going forward.

HighPower will create great experiences.

- Personal experiences leave lasting impressions. When a customer has one or more great experiences with our team, they are much more likely to perceive the company as

Case No 14-1962-GA-CRS
HighPower Energy, LLC
(CRNGS Initial Certification)

irreplaceable. Don't leave the customer experience to chance; instead, make it a top priority, and begin engineering great experiences. Some of the most memorable experiences over which we have control are the conversations that occur between the customers and members of our team. As much as we all love operational efficiency, it is important to accept and even encourage "inefficiencies" where customer conversations are concerned. Employees who have customer contact will learn to switch in and out of efficiency mode. They will be efficient in providing answers and responding to requests and then exhibit the patience of Job when the customer is talking or asking questions.

- Other occasions that can turn into great experiences include sales calls, service calls, emergency service calls and installation jobs. HighPower will be setting guidelines for our employees about how to create a great experience in each of those settings. Often, that means providing the customer with helpful information. For example, you could create a brief flyer that describes the tune-up process in terms of energy conservation and equipment lifespan and use it as a leave-behind at the annual service call or multiple other scenarios.
- Just as great experiences improve the relationship, bad experiences can damage it. Study problems such as fuel/gas run-outs and service callbacks and find ways to minimize or eliminate them, such as using remote monitors on fuel tanks and improving our technical training. When customer problems do occur, mitigate the damage. A personal call from our executive team can turn a bad experience into a good one.

HighPower will make customers part of something.

- Until the last few years, there was very little public attention paid to how companies heated their factories, universities or businesses. Heating oil, propane or natural gas, and the choice was no big deal. These days, however, a new energy mythology is emerging, and many consumers have strong feelings about fossil fuels and "alternative energy." In the mythology, petroleum equates with climate change and Middle East conflict, and the United States is transitioning to energy sources with lower carbon emissions. (i.e. nat gas – propane). It's an unrealistic paradigm for the near future at least, but it is widely held, particularly in PADDs 1 & 2. And since the customer continues to be "always right," marketers need to understand the paradigm and work with it.
- To hold on to customers who subscribe to the mythology, marketers need to be part of the solution themselves. HighPower can position its company as an advocate for conservation and, if practical, a purveyor of natural gas and propane. By proactively providing customers with unbiased advice about saving energy and incorporating alternative energy, HighPower can demonstrate value beyond that of any commodity it sells.
- Another smart place to hang HighPower's hat is with automation, telemetry and remote control. The recent purchase of Nest Labs by Google accelerates the use of advanced electronics that offer feedback on energy consumption and remote control of business systems via the Internet just as in the petroleum industry. Energy marketers, like HighPower,

**Case No 14-1962-GA-CRS
HighPower Energy, LLC
(CRNGS Initial Certification)**

who ride the cutting edge of this movement, will find it much easier to modernize the company image and connect with the business world.

HighPower will dazzle them with credibility.

HighPower's plan is to seize the opportunity and position the company as a credible energy expert.

- Customers might expect biased advocacy for the fuel we sell, and HighPower can surprise them by providing a steady stream of objective information about conservation and energy-related matters. Share relevant news with them about fuel specifications and prices, fuel supply and shortages, energy conservation strategies, and more. Express shared values, and help them see you as their kind of company. WE WILL BE THEIR "TRUSTED ADVISOR".
- Not only will HighPower become more valuable in our customers' eyes, we will also gain enough credibility that we will be able to advocate for the fuels we sell without jeopardizing our relationships. The truth is that most business will continue to use one fossil fuel or another for many years, and many consumers understand that fact, even as they criticize oil and gas. Use HighPower's platform as the expert to promulgate the notion that making highly efficient use of natural gas or propane is an acceptable form of "getting off oil."

HighPower will be convenient

- The best service companies go out of their way to provide customer conveniences. HighPower will take steps now to improve customer convenience, such as extending office hours, offering online account access and paperless billing, and enabling online enrollment for service plans, budget plans and price protection.

HighPower will resonate --- Repeat, repeat, repeat.

- To change customer perceptions, an energy marketer needs to communicate regularly. Develop an outreach strategy that creates multiple points of contact and does not rely exclusively on social media, because Facebook and Twitter lack the reach and gravitas needed for a customer retention campaign.
- The most reliable way to communicate to the entire base is by mail (and e-mail for customers who opt out of mailed communications.) Develop a plan that includes a combination of newsletters and/or customer letters in which you communicate about HighPower, energy, conservation, and your products and services. We will get started now, and establish a regular schedule.

The hard work in customer outreach is writing the articles or making the videos, but once we have created something once, repurposing it is relatively easy. For example, you can create one good primer article on how to reduce natural gas costs and then use it, with minor modifications, in a newsletter, in a blog and in social media posts. We will make sure the communications pieces we send reflect very well on the

**Case No 14-1962-GA-CRS
HighPower Energy, LLC
(CRNGS Initial Certification)**

company, with strong topical focus, clear writing and attractive graphics, so that customers make positive inferences about HighPower.. Given the value of those existing accounts over time, a strong investment in communications is justified.

D-2 “Operations Expertise”

See responses to Exhibits B-2 and D-1, above, and D-3, below.

**Case No 14-1962-GA-CRS
HighPower Energy, LLC
(CRNGS Initial Certification)**

D-3 Exhibit D-3 "Key Technical Personnel"

Stephen L. Hightower*

President and Chief Executive Officer (CEO) of HighPower Energy, LLC. As the "leader" of the management team, Mr. Hightower will provide guidance and insight in developing and implementing a business plan for HighPower Energy. Mr. Hightower is uniquely qualified for this position as a result of his more than thirty years experience in establishing and operating several diverse business entities with combined annual sales in excess of \$400,000,000. He is experienced in contract negotiations, rapid growth, and has a proven record of profitable projects completed on schedule with satisfied customers/owners. He is skilled in working globally with top-level management, government agencies and politicians. Mr. Hightower attended Wright State University and has successfully completed business and management level programs at Dartmouth College, Northwestern University and the University of Virginia. He has received numerous awards and recognitions including Greater Cincinnati/Northern Kentucky African American Chamber "Small Business of the Year Award"; NAACP Presidents Award: Cincinnati Business Courier Largest Tri-State Minority-Owned Business; Dayton Business Journal "Minority Owned Business of the Year" and "Executive of the Year"; and USA Regional Chamber "Rising Star" Award.

Stephen L.Hightower II*

Chief Operating Officer (COO) of HighPower Energy, LLC. In this position, Mr. Hightower will be responsible for the daily operations of HighPower Energy and will report directly to the CEO. He has been active in the Hightower family business since 2009 after working in electoral politics for more than a decade. Most recently he has served as Chief Operating Office of Hightowers Petroleum Company in charge of implementing sales and marketing strategy for this national distributor of petroleum and related products with annual revenues in excess of \$300,000,000. Mr. Hightower attended The Ohio State University and has received several recognition awards including Ohio Young Democrats Distinguished Service Award and Applause Magazine Emerging Leader.

Gary Visher*

Chief Financial Officer (CFO) of HighPower Energy, LLC. As his title suggest, Mr. Visher's duties will include financial planning and record-keeping as well as financial reporting to higher management. He will supervise the finance unit and be the chief financial spokesperson for HighPower Energy. He will report directly to the President/CEO and assist the COO on all strategic and tactical matters as they relate to budget management, cost benefit analysis,

**Case No 14-1962-GA-CRS
HighPower Energy, LLC
(CRNGS Initial Certification)**

forecasting needs and the securing of new funding. Mr. Visser has more than 20 years managerial, operations and accounting experience primarily in the banking industry. He has been associated with the Hightower family of businesses for the last eight years. He holds a degree in accounting from Tennessee Technological University.

Dawn Lindsey*

Vice President (VP) of HighPower Energy, LLC. In her position, Ms. Lindsey will work closing with the other members of the management team to ensure on-going compliance with all legal and regulatory requirements related to the operations of HighPower Energy. She has been associated with the Hightower family of businesses for four years. Ms. Lindsey has a wealth of experience and knowledge in business management gained from almost fifteen years in various management level positions including highly regulated industries. The scope of her experience includes human resources, finance, marketing and sales, customer service, strategic planning, as well as administration and ICT support. She is a business management graduate of Union Institute & University and has received additional training in business management and communications at the University of Cape Town located in Cape Town in the Western Cape province of South Africa.

Thomas Hoover*

General Manager (GM) of HighPower Energy, LLC. As a member of the management team, Mr. Hoover will oversee HighPower Energy's marketing and sales functions. He has a proven track record for driving sales teams, leading large scale projects, product development and marketing initiatives, all achieved in his twenty-five years in management level positions for various business enterprises. The emphasis of his business background is the energy industry, particularly petroleum marketing and distribution, but with substantial recent experience in marketing natural gas in the western Pennsylvania/West Virginia area. He possesses extensive experience in a number of areas including customer development and retention; supplier procurement and relations; sales/telemarketing planning and implementation; strategic planning development; risk management assessment; as well as logistics/distribution. Mr. Hoover is an honor graduate of Rosedale College.

*3577 Commerce Drive
Middletown, OH 45005
(513) 423-4272