59

FILE

Ohio | Public Utilities Commission

Original AGG Case Number	Version
15 - 1347 -EL-AGG	May 2016

RENEWAL APPLICATION FOR ELECTRIC AGGREGATORS/POWER BROKERS

Please print or type all required information. Identify all attachments with an exhibit label and title (Example: Exhibit C-10 Corporate Structure). 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. RENEWAL INFORMATION

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

☑ Power Broker ☐ Aggregator

A-2 Applicant's legal name, address, telephone number, PUCO certificate number, and web site address

Legal Name **TruEnergy Services LLC**
Address **8222 Douglas Avenue, Suite 200, Dallas, TX 75225**
PUCO Certificate # and Date Certified **15-1003E (2), 23 August 2015**
Telephone # **(855) 625-3205** Web site address (if any) **truenergy.net**

A-3 List name, address, telephone number and web site address under which Applicant will do business in Ohio

Legal Name **TruEnergy Services LLC**
Address **8222 Douglas Avenue, Suite 200, Dallas, TX 75225**
Telephone # **(855) 625-3205** Web site address (if any) **truenergy.net**

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

TruEnergy

A-5 Contact person for regulatory or emergency matters

Name **Danny Jester**
Title **President / CEO**
Business address **8222 Douglas Avenue, Suite 200, Dallas, TX 75225**
Telephone # **(855) 625-3205** Fax # **(214) 271-0142**
E-mail address **licensing@truenergy.net**

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

Name Danny Jester
Title President / CEO
Business address 8222 Douglas Avenue, Suite 200, Dallas, TX 75225
Telephone # (855) 625-3205 Fax # (214) 271-0142
E-mail address CustomerService@truenergy.net

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

Customer Service address 8222 Douglas Avenue, Suite 200, Dallas, TX 75225
Toll-free Telephone # (855) 325-3205 Fax # (214) 271-0142
E-mail address CustomerService@truenergy.net

A-8 Applicant's federal employer identification number # 83-1252522

A-9 Applicant's form of ownership (check one)

☐ Sole Proprietorship
☐ Partnership
☐ Limited Liability Partnership (LLP)
☑ Limited Liability Company (LLC)
☐ Corporation
☐ Other

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED:

A-10 **Exhibit A-10 "Principal Officers, Directors & Partners"** provide the names, titles, addresses and telephone numbers of the applicant's principal officers, directors, partners, or other similar officials.

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 "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-4 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-4 "Disclosure of Consumer Protection Violations"** detailing such violation(s) and providing all relevant documents.

B-5 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-5 "Disclosure of Certification Denial, Curtailment, Suspension, or Revocation"** detailing such action(s) and providing all relevant documents.

C. 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. (This is generally only applicable to publicly traded companies who publish annual reports.)

C-2 **Exhibit C-2 "SEC Filings,"** provide the most recent 10-K/8-K Filings with the SEC. If the applicant does not have such filings, it may submit those of its parent company. An applicant may submit a current link to the filings or provide them in paper form. 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. If the applicant does not have a balance sheet, income statement, and cash flow statement, the applicant may provide a copy of its two most recent years of tax returns (with social security numbers and account numbers redacted).

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.).

Renewal applicants can fulfill the requirements of Exhibit C-4 by providing a current statement from an Ohio local distribution utility (LDU) that shows that the applicant meets the LDU's collateral requirements.

First time applicants or applicants whose certificate has expired as well as renewal applicants can meet the requirement by one of the following methods:

1. The applicant itself stating that it is investment grade rated by Moody's, Standard & Poor's or Fitch and provide evidence of rating from the rating agencies.

2. Have a parent company or third party that is investment grade rated by Moody's, Standard & Poor's or Fitch guarantee the financial obligations of the applicant to the LDU(s).

3. Have a parent company or third party that is not investment grade rated by Moody's, Standard & Poor's or Fitch but has substantial financial wherewithal in the opinion of the Staff reviewer to guarantee the financial obligations of the applicant to the LDU(s). The guarantor company's financials must be included in the application if the applicant is relying on this option.

4. Posting a Letter of Credit with the LDU(s) as the beneficiary.

If the applicant is not taking title to the electricity or natural gas, enter "N/A" in Exhibit C-4. An N/A response is only applicable for applicants seeking to be certified as an aggregator or broker.

C-5 **Exhibit C-5 "Forecasted Financial Statements,"** provide two years of forecasted income statements for the applicant's E**LECTRIC related business activities in the state of Ohio Only**, along with a list of assumptions, and the name, address, email address, and telephone number of the preparer. The forecasts should be in an annualized format for the two years succeeding the Application year.

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, Fitch IBCA, Moody's Investors Service, Standard & Poor's, 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 an 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. If an applicant or its parent does not have such a credit rating, enter "N/A" in Exhibit C-6.

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. An applicant that provides an investment grade credit rating for Exhibit C-6 may enter "N/A" for Exhibit C-7.

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 two most recent years preceding the application.

C-10 **Exhibit C - 10 "Corporate Structure,"** provide a description of the applicant's corporate structure, not an internal organizational chart, 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 in North America. If the applicant is a stand-alone entity, then no graphical depiction is required and applicant may respond by stating that they are a stand-alone entity with no affiliate or subsidiary companies.

ZM CHIEF OPERATING OFFICER
Signature of Applicant & Title

TELISA ALEXANDER
Notary Public, State of Texas
Comm. Expires 05-10-2022
Notary ID 125663326

Sworn and subscribed before me this 5th **day of** AUG **,** 2017
Month **Year**

Telisa Alexander
Signature of official administering oath

Telisa Alexander
Print Name and Title

My commission expires on 5-10-2022

AFFIDAVIT

State of TEXAS :

Dallas ss.
(Town)

County of Dallas :

ZACH JEFFERY, Affiant, being duly sworn/affirmed according to law, deposes and says that:

He/She is the COO (Office of Affiant) of TRUENERGY SERVICES 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 renewal 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 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.

8. 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.

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 renewal 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.

ZMJ CHIEF OPERATING OFFICER
Signature of Affiant & Title

TELISA ALEXANDER
Notary Public, State of Texas
Comm. Expires 05-10-2022
Notary ID 125563326

Sworn and subscribed before me this 5th day of AUG, 2019
Month Year

Signature of official administering oath

Telisa Alexander
Print Name and Title

My commission expires on May 10, 2022

Exhibit A-10 "Principal Officers, Directors, and Partners"

Danny Jester, President/CEO
8222 Douglas Avenue, Suite 200, Dallas, TX 75225
danny.jester@TruEnergy.net
855.625.3205

Zach Jeffery, COO
8222 Douglas Avenue, Suite 200, Dallas, TX 75225
zach.jeffery@truenergy.net
855.625.3205

Bobby Renkes, Member
8222 Douglas Avenue, Suite 200, Dallas, TX 75225
bobby.renkes@truenergyholdings.com
822.625.3205

Barrett Kingsriter, Member
8222 Douglas Avenue, Suite 200, Dallas, TX 75225
barrett.kingsriter@truenergyholdings.com
855.625.3205

Exhibit B-1 "Jurisdictions of Operation"

California
Connecticut
Delaware
Georgia
Illinois
Indiana
Maine
Maryland
Massachusetts
Michigan
New Hampshire
New Jersey
New York
Ohio
Pennsylvania
Rhode Island
Washington D.C.

Exhibit B-2 "Experience & Plans"

Applicant has 10 years' experience providing direct advice and energy brokerage services to a variety of different clients, including small businesses, large commercial and industrial companies, chain and multi-location businesses, schools and non-profit institutions, and cities and municipalities. Applicant also works with groups of businesses or organizations to negotiate competitive pricing. Applicant offers a variety of pricing options, including fixed and indexed options, that suit a client's energy needs.

Applicant does not take title to the electricity, and only engages in arms-length negotiations with potential suppliers to secure the lowest competitive bids.

Exhibit B-3 "Disclosure of Liabilities and Investigations"

To applicant's knowledge, applicant is not subject to any pending or past rulings, judgments, contingent liabilities, revocations of authority, regulatory investigations, or any other matters 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.

Exhibit C-1 "Annual Reports"

Applicant does not provide annual reports to shareholders because applicant is organized as a limited liability company.

Exhibit C-2 "SEC Filings"

Applicant does not file 10-K/8-K filings with the Securities and Exchange Commission ("SEC") because Applicant does not meet the SEC requirement to file 10-K or 8-K forms.

Exhibit C-4 "Financial Arrangements"

As of July 22, 2019, Applicant does not have any financial arrangements with third parties to allow it to conduct CRES as a business activity.

Exhibit C-6 "Credit Rating"

N/A

Exhibit C-7 "Credit Report"

N/A

Exhibit C-8 "Bankruptcy Information"

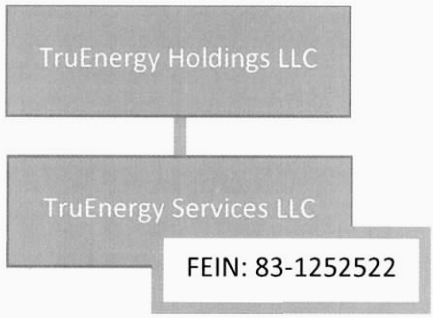
N/A

Exhibit C-9 "Merger Information"

TruEnergy Services previously conducted business as Greenwave Concepts LLC. TruEnergy Services acquired substantially all of the assets of Greenwave Concepts LLC in July 2018, and the business has operated in a similar operating manner since the transaction.

Exhibit C - 10 "Corporate Structure"

The Applicant is a Limited Liability Company organized in the state of Texas with Danny Jester as President/CEO and Bobby Renkes and Barrett Kingsriter as Members. TruEnergy Services LLC is a wholly-owned subsidiary by TruEnergy Holdings LLC, a Texas-based LLC. Applicant is not affiliated with any other company, government agency, or other organization.



Attachment A

Energy is our business.
Better pricing is our method.
Stellar service is our passion.

About TruEnergy

- TruEnergy is a leading energy consulting firm, representing many of the country's largest retail electricity providers. We provide energy brokerage, advisory, and aggregation services for thousands of commercial and industrial energy users nationwide.
- Energy management demands the highest levels of expertise as well as the knowledge to help customers achieve their goals for cost control, risk mitigation, supplier security, and long term reliability.
- We have chosen only the strongest and most reputable retail energy providers as our partners, and our buying power allows us to find and negotiate the best rates and terms for your business.
- At TruEnergy, our goal is to build life-long relationships with our clients. You enjoy the benefit of a dedicated account manager who is available every weekday during normal business hours. We don't use generic "customer service" lines to answer questions and help with problems; you call or email your account manager directly. This level of customer service is far above the standard in our industry. Our commitment to exceptional service is just one of the many reasons TruEnergy is the number one choice for thousands of businesses across the nation.

Service Areas

TruEnergy has grown to become the leading choice for energy procurement in CA, CT, DC, DE, IL, MA, MD, ME, NJ, NY, OH, PA, RI, TX . TruEnergy continues to expand its footprint across the country as we extend our services to emerging deregulated markets.

TRUENERGY

Energy is our business.
Better pricing is our method.
Stellar service is our passion.

Product Types

TruEnergy offers a breadth of products and plans to meet the needs of our extensive client base. Our highly trained staff of energy consultants specializes in identifying the right product for your business needs.

Fixed Rate

The price you pay per kWh is locked in for the duration of your contract term.

Benefit

- You never pay more than your fixed rate for supply - even if commodity rates change.
- You retain the ability to budget your long-term commodity supply costs more effectively.

Index/Variable Rate

Your energy cost is determined by the local market rate and varies from month to month as energy prices fluctuate.

Benefit

- Enjoy lower rates when wholesale market prices are down.
- Lock in your supply rate anytime if market prices start to increase.

MCPE

The bare-bones price used to negotiate a custom contract when buying energy in large blocks.

Benefit

- After initial block purchase, you pay a variable market rate for additional energy consumption.
- You enjoy lower rates when wholesale market prices are down, while reducing your exposure to market price volatility.

Heat Rate Index

Your price for a percentage of your usage is fixed at different points in time by fixing the price of natural gas.

Benefit

- Use your gas market knowledge to manage your electricity price.
- Pay a lower average price over time.

Blend & Extend

Today's lower rates can be averaged (blended) into your current contract rate, decreasing your current spend.

Benefit

- By extending your contract, you can decrease your current spend.
- Your operational costs even out over a longer period of time.




Consideration	Fixed Rate	Indexed Rate	MCPE	Heat Rate Index
Risk market fluctuations for lower rates		✓		
Avoid higher rates during peak usage		✓		
Avoid risking market volatility			✓	
Expect market rates to increase	✓			
Budget control is critical to business	✓			
Manage rates over time through the year				✓

Whether you are looking for the safety of fixed rates—or are accustomed to market risks—we can help you find the plan suited for the exact needs of your business.

TRUENERGY

Energy is our business.
Better pricing is our method.
Stellar service is our passion.

Our Clients

- TruEnergy is one of the nation's largest energy brokers. We proudly service the needs of companies of all sizes, including small businesses, large commercial and industrial corporations, chains, cities, governments, and schools. We take pride in being able to meet the needs of any business, and we have dedicated teams which specialize in pricing each type and size of account.
- Our focus is on securing the best pricing options for your specific business goals. We fully understand the energy industry, and we treat your business like it is our own. Our group of trained and professional Energy Consultants partner with you to provide energy solutions tailored to your business.
- TruEnergy has grown to become the leading choice for energy procurement in Texas, New York, New Jersey, Illinois, and Pennsylvania. TruEnergy continues to expand its footprint across the country as we extend our services to emerging deregulated markets.
- Due in large part to our strong relationships with providers and referring agencies, we are able to save commercial, industrial, and governmental locations millions of dollars per year in energy costs.




TruEnergy works with thousands of commercial, industrial, and governmental clients. Our group of trained, professional Energy Consultants partner with you to provide energy solutions tailored to the exact needs of your business.

TRUENERGY

Energy is our business.
Better pricing is our method.
Stellar service is our passion.

Services

Brokerage

Operating nationally, TruEnergy is one of the largest energy brokers, serving the needs of commercial, industrial, and governmental clients. Our group of trained and professional Energy Consultants partner with you to provide energy solutions tailored to your business.

We have chosen only the strongest and most reputable retail energy providers as our partners, and our buying power allows us to find and negotiate the best rates and terms for your business.

Rate Analysis

Energy rates change with the market. TruEnergy places the needs of our clients first by watching the market throughout the trading day and conducting the appropriate analysis behind the scenes. This detailed analysis allows us to identify and even project important trends in the daily changing energy market.

Our representatives proactively reach out to existing and potential clients and alert them on the best time to lock in low rates, even before current contracts expire. Our clients are able to achieve a level of budget certainty not usually found in the energy industry. As a result of this approach, we focus on building long-term relationships by earning trust and respect from our clients.

Aggregation

TruEnergy offers aggregation programs that allow entities with multiple locations to pool their resources and combine their energy load. This service is available for cities, organizations, membership entities, churches, neighborhood associations, and chain operations.

TruEnergy negotiates with our extensive network of suppliers to purchase large blocks of energy for these aggregated groups, resulting in lower rates and reduced energy costs for all of the respective meters in the group.




Partnering with TruEnergy will be like having your own in-house energy expert investigating the many pricing options and providing you the best agreement in direct alignment with your company's goals.

TRUENERGY

TruEnergy Generic Script

Opening

Hi I'm _____ with TruEnergy and the reason I'm calling is to help you qualify for a lower electricity bill. Could you tell me who handles the electricity account?

Already in an agreement

Oh, great. We don't want to get you out of your current agreement. However, we are a fully licensed wholesale brokerage in the state of_____ and use an energy profile service to analyze your energy usage and give advice of the best time to secure your next renewal. We do this in hopes of possibly earning your business when your energy agreement comes up for renewal by helping you qualify for the very lowest rates possible as market changes occur. All I need is a copy of your electric bill and the expiration date of your current plan to get started.

{NO}

Have you ever had anybody analyze your electric usage to see if you qualify for lower electricity expenses? All I need to get started is a copy of a recent electric bill. There is no obligation or commitment to switch providers for this analysis. Once my Cost Analyst conducts a thorough bill analysis, he will let you know if we can help and if we can't, he will let you know why, too. Does that sound fair?

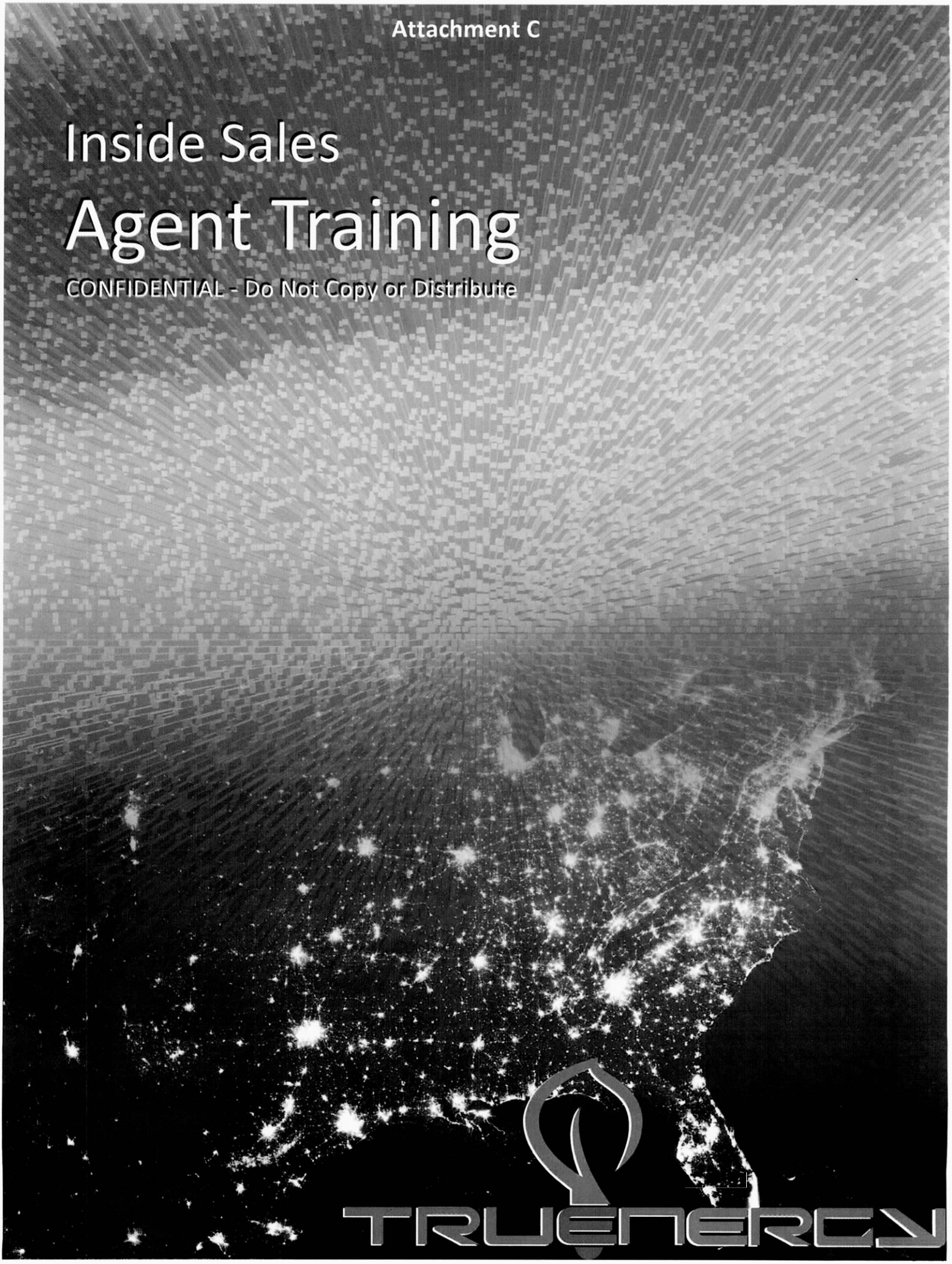
{YES} Fax or Email

Thanks you, once we have a copy of your bill, my Cost Analyst will call you back and go over your bill with you. If you decide to renew or set up energy plan with one of our providers, he will send you an enrollment with an LOA form to look over and sign if agreeable. Fair enough? Can I expect that you'll be able to send that today??

Attachment C

Inside Sales
Agent Training

CONFIDENTIAL - Do Not Copy or Distribute



What's Inside:

Chapter 1

Basics of Deregulation

In Chapter 1, we will cover:

- The Competitive Electricity Market
- How Deregulation Works
- The Role of Brokerages
- The TruEnergy Difference
- Deregulated Areas
- Oversight Agencies

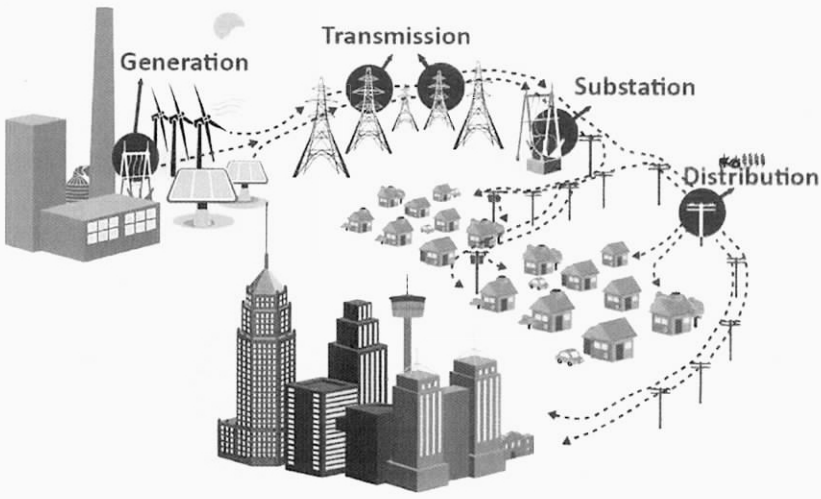
The Competitive Electricity Market

TruEnergy is an energy brokerage within the nation's deregulated energy markets. Therefore, as a sales agent for TruEnergy, one of the first things you're going to need to understand is what deregulation is. To start, we're going to look at the process by which energy transfers from generation to the end-user and how that changed with energy deregulation.

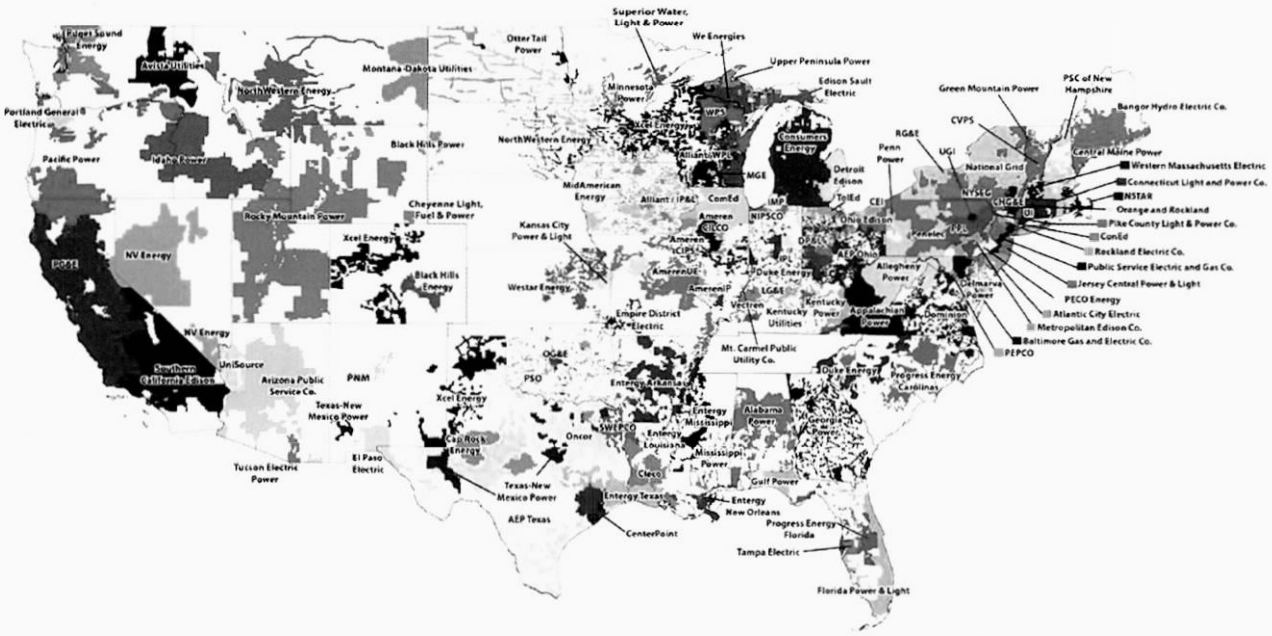
After energy is generated, it passes through various transmission lines on its way to a local substation. From that point, it passes through various distribution lines to the end-user, whether that's a residence or a commercial business.

Prior to deregulation, all of this was handled by two different entities. The first is a **Wholesale Generator**, and the second is a **Utility**. Utilities have different names in different areas. A utility can be referred to as a **Transmission & Distribution Service Provider (TDSP)** or it might be referred to as a **Transmission & Distribution Utility (TDU)**. Occasionally, but very rarely, you might hear it referred to as a **Transmission System Operator (TSO)**. All of these are references to the utility, and they all mean the same thing.

The wholesale generator handles the generation, or the production, of the energy. The utilities on the other hand, dealt with every other aspect of getting the energy to the end-user. This included everything from the substations and the transformers through the transmission and distribution—including the lines and the poles. The utility also conducted all the meter reads, took care of all the billing and any related customer



service, and since they were in charge of the lines and poles, they also dealt with any service, maintenance, and repairs of these.



Since utilities covered specific areas, customers had essentially no choice in the matter of who was going to provide their energy. This is why, in order to remove the monopolies and promote competition, deregulation was introduced.

How Deregulation Works

Energy deregulation initially began in the 90's with pilot programs in select states, and by the early 2000's, these programs were being implemented fully in Texas and a few other select states. With deregulation, a lot of the transmission and sales process has actually stayed the same. The wholesale generators still produce the energy. The utility still manages everything from the substations through the power lines, and they also still conduct the meter reads. They maintain all the lines and provide all the service; therefore, any emergencies with service (downed power lines, power outages, etc.) should still be directed to the utilities.

The key difference as we see it is actually on the retail end. Whereas the generators used to sell directly to the utilities, the generators now sell to **Retail Electric Providers (REPs)**. The utilities are still going to handle the transmission and the distribution of the energy, so the choice of REP does not affect the reliability of the transmission and distribution service. The difference is that now we have the REPs who have taken over the billing and the related customer service.

A Note on Acronyms

TDSP, TDU, TSO, REP - Are you confused yet? It's only going to get worse - HUD, ESI, PUC, BPU.

When you're talking to customers, remember this, and think of how they will feel if they don't understand the energy market. To eliminate confusion, it's better to refer to the TDSP as the 'utility.' REPs are 'providers,' etc.

When certain areas become deregulated, the utility will be the default supplier until the customer chooses an REP. In states that have been deregulated for some time (such as Texas) it will be rare to find a customer who is still with the utility—although it is conceivable. In newer markets, however, it will not be unusual for customers to have remained with the utility, either not knowing that they can switch, not knowing how to switch, or not knowing why they should switch.

Some customers will have a fear of switching providers because they have heard their power will not be restored as quickly if they're with another provider. Even after almost 15 years of deregulation in Texas, we have seen this with deceptive REPs who use this tactic to prevent their customers from switching. You can reassure your customers that this is not the case. In fact, this is something covered by the law, and it would be illegal for a utility to provide preferred service to customers based on their provider.

Reasons to Deregulate

- Promotes competition by removing monopolies
- Lowers energy rates
- Increases customer service
- Increases product offerings
- Helps the environment
- Stimulates economic growth
- Creates new jobs
- Better keeps up with increased electric demand (which is projected to increase 30% by 2035)

Similarly, some customers will think that the charges from the utility will increase if they switch. Again, we see this in newer markets where customers aren't as familiar with deregulation, but also in Texas with some of the same deceptive REPs. Utility charges will not go up or down based on the provider a customer chooses.

For most customers, the only changes they will notice at all is the different bill and the new, low rate.

The Role of Brokerages

With deregulation, the problem for the customer ends up being that, in Texas for example, there are literally dozens and dozens of these retail providers from which to choose. Conceivably, a customer could call around to each one of these providers and shop for rates, but that would take an inordinate amount of time, and even then, most customers aren't going to have the market knowledge to understand trends in current rates.

Because of this, there ends up being a huge gap between the provider and the customer. The **Broker** comes into play to actually bridge this gap. If you remember TruEnergy is a brokerage, so what we do is connect customers with the retail providers who can best meet their service needs. At the same time, we're going to help our customers negotiate the lowest rates possible. Essentially, we're going to make the providers compete for the customer's business.

The TruEnergy Difference

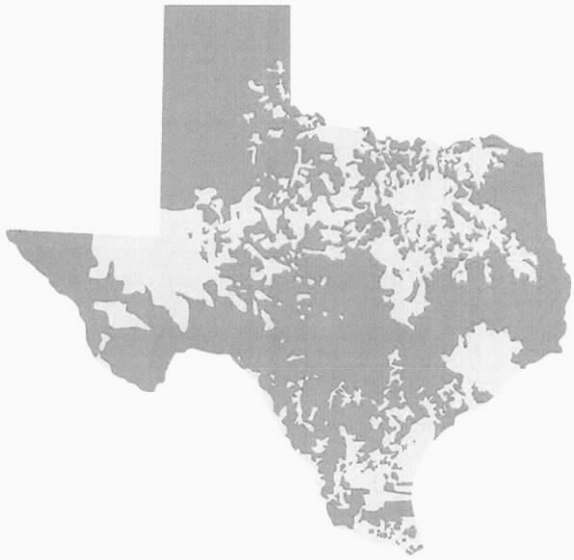
TruEnergy is part of the Greenwave Concepts family of companies, providing energy brokerage, advisory, and aggregation services since 2009. Currently, we service thousands of commercial and industrial energy users nationwide. There are countless brokerages, but there are several factors which set TruEnergy apart and make us different from the competition:

- Market knowledge—Our extensive, ongoing training and our large network of experienced agents give us a thorough understanding of market trends.
- Buying power—As one of the largest energy brokerages, we receive premium rates from our providers (lower rates from buying in bulk).
- Provider partnerships—TruEnergy has chosen to partner with select REPs who have a history of providing aggressive rates and outstanding customer service.
- Unrivaled customer service—As a dedicated account manager, you will be available to help customers with any needs or problems.

Deregulated Areas

TruEnergy is able to service customers in almost any deregulated energy market (see Appendix A for a listing). However, even in those states, there are some areas that are not deregulated, usually when

there is not enough usage in these areas to warrant deregulation. In Texas, for example, there are only certain portions of the state that are deregulated. A lot of the more rural areas have **Electric Co-Operatives (Co-Ops)** or city-owned utilities.



However, just because a customer is in a co-op, doesn't mean we cannot help them. Customers in a co-op may or may not be given a choice of REPs. TruEnergy has a pricing engine, and the best way to check for a co-op is to check the customer's zip code in the pricing engine. It's not a guarantee, but chances are, if you can get pricing for that zip code in the pricing engine, we can service that customer. Customers in these ares can also contact their electric co-operative or city utility for more information.

Oversight Agencies

This leads to an important question of who deems which areas are to be deregulated. Every state has an agency that deals with the oversight of the public utilities. The name of the agency may differ a little bit from state to state. Some places it might be called a **Public Service Commission (PSC)**; others it may be a **Public Utility Commission (PUC)**; other states, it might be a **Board of Public Utilities (BPU)**, but in all states, they essentially do the same thing. These entities handle all issues of regulation, reliability, safety, and government. Finally, they're going to be the ones to field any customer complaints, whether they be against a utility or against an individual provider. At this time, these agencies do not govern brokerages.

A Note on TruEnergy's Terminology

Often times, TruEnergy uses the language of the Texas energy market to apply to other states. For example, we commonly refer to the oversight agency as the PUC, even in states where this is not actually the name for it. We do this for consistency of training, but depending on the market you will be calling, you will need to be aware of the actual name to avoid confusing customers.

Chapter 2

Letters of Authorization

In Chapter 2, we will cover:

- The Account Manager
- The Letter of Authorization
- Necessary Information for the LOA
- Other Helpful Customer Information
- TruEnergy's LOA Rating System

The Account Manager

As an account manager, you are going to be the one making the Initial contact with the potential client. To a great extent, the closing process really occurs at this stage. Everything you do is going to have a great effect on the closing process and will actually end up making or breaking the sale. There are several keys to doing this right. You will need to:

- Engage the prospect
- Generate their interest
- Build trust and rapport
- Collect all the necessary information
- Take account notes

You should not see yourself as just a telemarketer. We are consultants, using our market knowledge to advise customers and to negotiate and procure the best electricity rates possible for their business. Your goal should always be to develop a long-term relationship. You want to become their personal Energy Broker and Account Manager not just for their next renewal but for years to come.

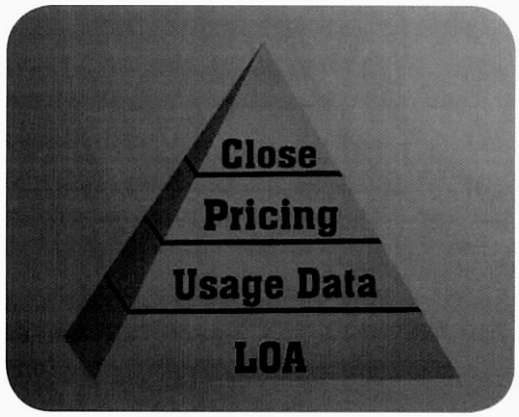
A Note on the Sales Process

Many of the details of the energy market and the sales process differ from state to state. TruEnergy's training program generally uses the state of Texas for its structure and its examples. We do this for a couple of reasons.

- Texas was one of the first states to implement deregulation, and to date, it remains the largest deregulated market in the country. Many other states, therefore, have used Texas as a blueprint for their deregulated markets.
- We have found that if you learn the system for Texas first, it's easy enough to translate that info into an understanding of other markets.

As consultants, we're always working towards closing the deal, but this doesn't always happen on the first call; in fact, it is rare that it does. It is normally going to involve a number of calls, emails, and/or faxes before the customer ever gets to the point where he or she is ready to commit. The more time you spend interacting with the customer, the better rapport you will build, making this more of a long-term relationship than a quick one-time sale. Ultimately, you will find that customers will start to look to you—*they* will call *you*—for input and advice and even for help when they have customer service issues.

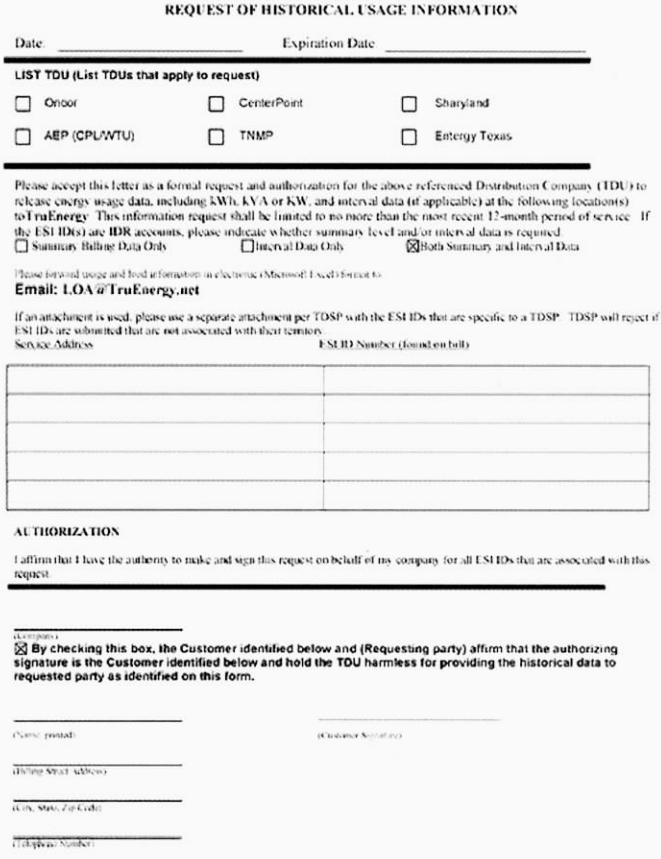
The TruEnergy Sales Process



The TruEnergy sales process can be broken down into a pyramid. The ultimate goal, the top of the pyramid, is to close the deal. However, one of the key pieces of information we're going to need before we can close anything is obviously going to be pricing. For many customers, the bottom line is going to be the rate; we're going to need to be able to offer them the best rates possible. However, in order to provide us with accurate pricing, our providers are going to need several pieces of information from us. Most of this information can be found through usage data—we need to know how much energy a customer uses at any given time and also how much they are going to use over the course of an entire year. The problem is that this information is not just publicly available, so we will have to get the customer's permission in the form of a **Letter of Authorization (LOA)** in order to pull this information. This process forms the foundation of TruEnergy's sales process and is the primary function of your position as an Account Manager.

The Letter of Authorization

The Letter of Authorization is essentially the customer's authorization for us to request their usage history. The LOA Form, itself, is only necessary in Texas, but at TruEnergy, we still talk about the LOA process in other states in reference to what we need from the customer in order to attain usage.



LETTER OF AUTHORIZATION FOR THE
REQUEST OF HISTORICAL USAGE INFORMATION

Date: _____ Expiration Date: _____

LIST TDU (List TDUs that apply to request)

☐ Oncor ☐ CenterPoint ☐ Sharyland
☐ AEP (CPL/WTU) ☐ TNMP ☐ Entergy Texas

Please accept this letter as a formal request and authorization for the above referenced Distribution Company (TDU) to release energy usage data, including kWh, kVA or KW, and interval data (if applicable) at the following location(s) to TruEnergy. This information request shall be limited to no more than the most recent 12-month period of service. If the ESI ID(s) are IDR accounts, please indicate whether summary level and/or interval data is required.
☐ Summary Billing Data Only ☐ Interval Data Only ☒ Both Summary and Interval Data

Please forward usage and load information in electronic (Microsoft Excel) format to:
Email: LOA@TruEnergy.net

If an attachment is used, please use a separate attachment per TDSP with the ESI IDs that are specific to a TDSP. TDSP will reject if ESI IDs are submitted that are not associated with their territory.

Service Address	ESI ID Number (found on bill)

AUTHORIZATION

I affirm that I have the authority to make and sign this request on behalf of my company for all ESI IDs that are associated with this request.

_____
(Company)

☒ By checking this box, the Customer identified below and (Requesting party) affirm that the authorizing signature is the Customer identified below and hold the TDU harmless for providing the historical data to requested party as identified on this form.

_____ _____
(Name: printed) (Customer Signature)

_____
(Billing Street Address)

_____
(City, State, Zip Code)

_____
(Telephone Number)

An LOA is not a contract, and it's not really even a legal document. Quite simply, it is the customer's authorization for the TDSP to release the previous 12 months of usage data. This does not provide us with any personal or sensitive information. All it gives us is a profile of the customer's energy usage, information which our providers need to be able to offer customized rates.

Ideally, we would like to get a signed LOA from each customer we call, but this is not always possible when we're working with busy customers and business is primarily being conducted over the phone. Instead, TruEnergy maintains a recorded log of our calls, and with this, we have the verification we need in order to submit LOAs on the customer's behalf with their verbal authorization.

Necessary Information for the LOA

The Electric Service Identifier

One of the most important pieces of information we need for an LOA is the **Electric Service Identifier**, commonly referred to as an **ESID** or an **ESI** (pronounced either as E.S.I. or sometimes 'Easy'). An ESI is a unique number assigned to a delivery point (meter), and it is this number that is used to track information such as location and usage. This number is fixed regardless of the owner of the building or the REP.

Service Address

Each ESI is going to be tied to a specific Service Address. Although each ESI is only going to service *one* specific address, there may be several meters listed at an address—a large manufacturer, for example, can have a large number of ESIs for one building.

It's going to be very important as you collect the information that you pay careful attention to the address. The utility will reject our request if our information does not match their records, and small details like suite numbers etc. can create a conflict of information. The easiest way we can ensure we have the correct address will be to take it directly from the customer's electric bill. The service address on the bill is almost guaranteed to be the same as is listed in the utility's usage file.

A Note on ESIs

Once again, TruEnergy uses Texas terminology even in non-Texas markets. The term 'ESI' is exclusive to Texas. In some markets it is called a meter number; in others it is an account number; in still others it might be called a POD number. For simplicity, we use the term ESI to refer to all of these.

Legal Entity Name

Businesses can be listed in several ways, and it's not uncommon for the utility to list a business under the name of a parent company, sister company, or a DBA (doing business as). Again, the customer's electric bill will almost certainly have the correct listing for the account name.

Contact Name

We will also need to get the name of the contact on the electric account. Even though we use the customer's verbal authorization to submit for usage, the LOA is submitted as a signed form. Therefore, you will have to make sure you get the customer's first and last names.

Current Contract Expiration Date

The final piece of information we need is the expiration date of the customer's current contract. This is not required to pull the usage data, but it will be extremely important when it comes time to request pricing from our providers, so we have added this to our own list of criteria for a valid LOA. Although it is not *always* the case, often times this too can be found on the customer's billing statement.

Other Helpful Customer Information

With this information, we have enough for a valid LOA. However, there is other information that can be extremely useful when it comes to closing the sale:

- Name of the customer's current provider
- Current rate
- Current contract length
- Service needs
- Buying strategy

Remember, you are getting paid on the accounts that close, so anything you can do to set your closer up for success can only benefit you.

TruEnergy's LOA Rating System

You may have noticed the common theme that most of the information we need is available from the customer's utility bill. Since the bill has proven to be the ultimate means of verifying information, we base our LOA process on receiving a copy of the bill from the customer.

All valid LOAs are rated as either A, B, or C. This gives us a reference point for both the validity of the information as well as the strength of the lead.

LOA-A

An **LOA-A** is given for an account when the customer emails or faxes us a copy of their bill. With the bill copy in hand, we have the best guarantee of accurate information. As an added bonus, the customer's interest—shown by their willingness to take the time to send the bill copy—tells us that the account stands a good chance of closing.

LOA-B

An **LOA-B** is when the customer does not want to send a bill copy but is willing to read the information off to you. In this case, it becomes critical that we carefully record the information.

If the customer reads the information wrong or if we record it incorrectly, the LOA will be rejected by the utility. Our verification process, therefore, relies on the customer reading the information *to us*. You should never read the information you have and ask if it is correct. A preoccupied customer is likely to simply affirm what you are saying without paying attention. If the information sounds close enough, and if they don't know how important its accuracy is, they may be more concerned with getting you off the phone than ensuring that we have the correct information.

A Note on Email Addresses

Emails account for a large portion of the communication you will have with customers. Some customers will even prefer to use this as their exclusive means of communication.

Since you will be writing down email addresses on a regular basis, here are a few guidelines on format:

- Capitalization does not matter—there is no effectual difference between john.doe@truenergy.net and John.Doe@TruEnergy.net
- There are never spaces in an email address
- There are never special characters (/ \ ~ ? ! * & ^ $ # { }) in an email address
- There can be a dot (john.doe@truenergy.net), a dash (john-doe@truenergy.net), or an underscore (john_doe@truenergy.net) in the name
- If there is a number in the name, it will generally be a numeral (john13@truenergy.net) and not spelled out (johnthirteen@truenergy); however, this is personal preference for most people, not an absolute rule.

The wrong way, therefore, would be to say something like:

> *Mr. Durden let me confirm your company as Paper Street Soap Company, and I show you have an address of 537 Paper Street in Bradford. If it is okay with you I am going to go ahead and pull your usage from the utility. I show your ESI number as 13300058525. I show your contract expires in April 2013. I show your name is Tyler Durden. Is this correct?*

Instead, you should say:

> *Mr. Durden just to make sure we have the correct information, could you please spell the name of your company as it is listed on your bill? Okay. Great, thanks. Now could you please read me back the street address with the city and zip code? Is there a suite number or unit number? Great. Please slowly read me the meter number on your bill also referred to as the ESI. Is that the only meter or do you have more than one meter? (If so repeat asking for each ESI.) And again, what is the expiration date for your existing contract? Lastly, can you please spell your first and last name for me so we can make sure we have that correct to pull your usage?*

If the customer does not read the information to you, your LOA will be rejected.

LOA-C

An **LOA-C** is when the customer tells you that he or she is interested but asks if there is any way you can pull the usage information without receiving a bill copy. The problem is, while we do have means of pulling this information, it does not help us verify that the information we pull is accurate. Therefore, LOA-Cs require an upgrade before the account can be closed and before the LOA will count towards your totals. In this way, it is really not an LOA itself, but rather a placeholder so that the sales process doesn't stall out. In order for this to work, the customer will need to have a copy of the bill handy when the closer calls back so we can verify that we have obtained the correct info. Of course, if the customer emails or faxes us a copy at a later date, this is even better!

So, if a customer tells you, "I don't have time to send you a bill or read you my ESI numbers," you can say:

> *"I understand Mr. Durden. I can look up your ESI ID and pull the usage for you. I am happy to do it as long as you're serious about wanting to save money on energy. It does take additional time on my end. The one thing I ask of you, in the name of professional courtesy, is that you don't have me spend this time if it isn't something you are legitimately willing to discuss, fair enough? (OK) So do you want me to pull the usage? (YES) Okay, I will do so and get back to you. Do keep in mind that if we find a product you like and a rate that fits, it is required that you get a copy of your bill and verify the information for us before we can send it for contract with a provider. Would you be willing to do so in that scenario?" (YES)*

No LOA

We have talked about what constitutes an LOA, but since there are so many things that can go wrong, it may be worthwhile to reiterate this in the form of what an LOA **is not**. TruEnergy uses strict quality control guidelines, so be aware that an LOA can be rejected for any of the following reasons.

- The person to whom you spoke was not the decision maker
- The information was not verified
- You did not ask for the bill copy
- You did not get permission to pull usage
- The agent read the information to the client
- Incorrect information was input into the computer

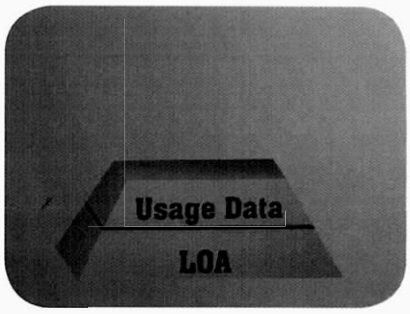
Chapter 3

Energy Usage

In Chapter 3, we will cover:

- Units of Measurement
- Electric Meters
- Historical Usage Data

The next step in the sales stage is obtaining usage data. In Texas, we request this information from the TDU, and they will send us a file that is referred to as **Historical Usage Data (HUD)**. There can sometimes be problems if it is a new business that has not yet established usage history, but even then, we can price from the previous occupant's usage for the same location or from the client's usage at any previous location. The point is that the providers will need at least some estimation of usage in order to calculate their rates.



Units of Measurement

Electricity is measured in two ways: as Demand and as Usage. **Demand** refers to instantaneous power consumption. It is the amount of electricity being drawn at any given moment. When we look at demand, we are working with **kilowatts (kW)**, or 1,000 watts.

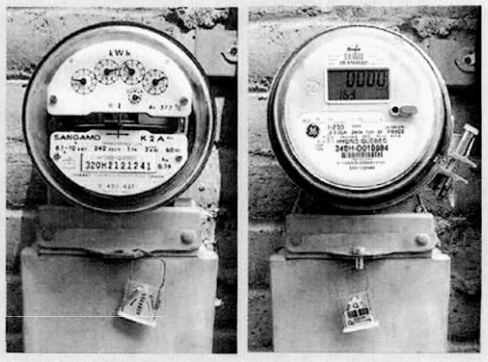
10-100 watt light bulbs pull a demand of 1,000 watts (1,000 W) or 1 kilowatt (1 kW)

10-100 watt bulbs burning for 1 hour consume a total of 1 kilowatt-hour (1kWh)

The next way energy is measured is **Usage**, and when we talk about usage, we are referring to the total amount of electricity used over a period of time, usually a month or a year. Usage is primarily measured in **kilowatt-hours (kWh)**, which is a demand of 1,000 watts used constantly over a period of 1 hour.

Electric Meters

Usage, whether it is demand or total usage, is recorded through electric **Meters**, and these come in a few different kinds. First, and most common, are **Demand Meters**. Traditionally, demand meters were analog and required someone from the TDU to come and physically read the meter each month. More and more, however, digital meters, often called **Smart Meters** are being installed. These meters provide a more detailed analysis of the customer's usage over the month, and the information is sent directly to the utility, eliminating the need for monthly reads.



Analog Meter Smart Meter

In addition to these demand meters, there are also **Non-Demand Meters** which are primarily used for things like guard lights. These meters use the same amount of energy every billing cycle, and therefore the billing is based on a fixed value for its consumption.

Historical Usage Data

Regardless of the type of meter, the TDU will send us the usage file in the form of a spreadsheet, and this will give us an itemized listing of usage for each of the customer's meters broken down month-by-month.

This will give us several pieces of information which our providers will need to give accurate pricing, including:

A Note on Usage Data

The actual HUD file is exclusive to Texas. In other markets, the customer's usage is estimated using what is shown on the bill copies. This doesn't affect our general process, though, because regardless of the market, our goal is always to get the bill copy.

- **Annual Usage** - The total electricity used over a year. This is recorded in **megawatt-hours (MWh)** or 1,000 kWh
- **Peak Demand** - The highest demand of energy consumption in a certain window of time. In Texas this is a 15 minute period, but in most non-TX markets it is 30.
- **Zone** - One of four electricity zones in the state—North, South, West, and Houston.

Chapter 4

Selling the REP

In Chapter 4, we will cover:

- Commissions
- REP Options

When you're working on connecting a customer with a certain provider, it can help to remind the customer that we are not married to any particular provider. Our only goal is to get the best service at the best rate for each customer.

It's important to remember that for many customers it's not always strictly about the rate. Our providers vary greatly on the extra services and features they offer, and many of these may be the key to which provider you recommend to the customer.

A Note on Switching Providers

Regardless of which provider they end up choosing, it's important to remind your customers that there will never be any interruption in service and there will be no change in the reliability of service when they switch providers. Since the utilities are still the ones that do all the transmission and distribution, the only change the customer will notice is the different bill they get in the mail.

Commissions

Something that all of us are concerned with is Commissions. Each provider allows us to add a certain amount of margin on top of their rate, and this is how TruEnergy is paid.

When we talk about what we add to a rate, we are going to be using an amount called a **Mil**. A mil is equal to 1/10 of a cent, which can also be written as $0.001. As an example, if a provider is offering a rate of 6.515 cents (usually written as $0.06515) and we add 1 mil onto this, we would be offering the customer a rate of $0.06615. If we added 10 mils—or a full penny—the customer's rate would be $0.07515.

Each provider varies on how much **Margin** we can add and how much of it we get for ourselves. The way it works is that providers pay commissions using two figures: a cap and a split. The **Cap** is the largest markup (margin) the REP will allow us to add on top of the rate they give us. The **Split**, on the other hand, is the amount of markup allowed after which the REP will take half.

So, if a provider gives us a 6 mil split with a 10 mil cap, they are saying that we can add up to 10 mils on the rate. Whatever we add, TruEnergy will get all of the first 6 mils and then we will split any remaining margin with the REP.

REP Options

Service Areas

Many of our providers differ on the states in which they operate—some will only service Texas customers while others may cover any number of other deregulated markets. (See Appendix B for a listing)

Term Length

All providers offer 12- and 24-month contracts, but there are only certain ones that will offer a short-term contract (3-6 months) and certain ones who offer contracts as long as 5 years.

Forward Start Dates

Some REPs will let us sign up a customer up to a year or two in advance (prior to the start date). Other providers are quite limited and will only let us sign customers up 6 months in advance. This is known as the **Forward Start Date**.

Number and Type of Meters

Certain providers only allow a certain number of meters on a contract, while others have no limits. Also, some providers will allow a customer to add residential meters to their account while others require that all meters be for commercial entities.

Resouces for REP Options

It can be difficult to keep track of which provider offers what. We have a couple of resources, therefore, that will help you find the information you need at any time. TruQuote, which is one of our pieces of custom software you will be using, has an REP Options Grid in it that will let you compare REPs and their offerings. We also have an Agent Resources Portal, which is an online tool with an abundance of information on our providers, samples of bill copies, sample contracts, and more. These will be covered separately, but remember that these will be great tools for you to use.

Credit Options

Most of our providers require credit checks on all new accounts. For customers who have problems with their credit history, however, there are alternatives, again depending on the REP

Add/Delete Language

Sometimes, there will be customers who will ask about the ability to add to or subtract from the meters on their contract at a later point. This may occur for many reasons, including if the customer is planning on buying or selling locations. If this is the case, some REPs will allow us to include what is called **Add/Delete Language** to the contract. This will let the customer add or delete meters, but it often has limitations on the percentage of the total usage.

Continuous Service Agreements

In some cases, a customer will have a number of meters, some of which are unused through part of the year. We see this regularly with RV parks, for example. If a certain meter is not being used, the customer is obviously not paying for any energy usage; however, some of the utility fees are charged regardless of usage. To eliminate TDU charges on inactive meters, some of our providers will allow what is called a **Continuous Service Agreement (CSA)** which will allow customers to turn meters on and off during the course of the agreement.

Co-Terminous End Dates

More frequently, we have customers who have various meters, all in different contracts, with different rates, with different expiration dates, and possibly even through different providers. This creates headaches for the customer when it comes to billing and also when it comes time for them to renew. If we know this ahead of time though, we can actually set up a contract that has **Staggered Start Dates**—adding each meter one-by-one as the current contracts expire. This will create what is called a **Co-Terminous End Date**. This means that, by the end of the agreement term, they will have one provider, one rate, and one expiration date for all the meters. Customers usually love this, and it will even help us since it will make the next renewal much much easier.

Early Termination Fees

If the customer ends up canceling an agreement before its end date, he or she will be charged **Early Termination Fees (ETFs)**. Some customers are already thinking about this if they think they might be moving or selling their business in the near future. Again, it depends on the REP, but we can sometimes make sure these fees will be waived if the customer closes, moves, or sell their business.

Bandwidth

Sometimes the customer may foresee a big change in the amount of energy they will use. This may be for a single month—say if they are closing for remodeling—or it could be a permanent change—such as installing additional equipment to double their production. The problem is that the customer can receive substantial charges if they are a certain amount over or under their average usage for any given month. This is referred to as **Bandwidth** (or **Swing**) and some providers allow for as little as 20% of a difference or as much as 100% difference.

Billing Preferences

Most of our REPs will provide several billing options to the customer. Different billing types may be available depending on the REP, and these can include Summary billing, Individual billing, and Separate billing. **Summary (Consolidated) Billing** puts all meters on one single bill. **Individual Billing** is billing for multiple meters that is sent as several individual bills with same due date. Bills may be sent to a billing or service address. **Separate Billing** is billing for individual meters sent to different service addresses. For example, a customer that has included their residential account with their commercial account may prefer separate billing. As such, they may want their residential billing sent to their home address and the commercial account sent to their business. Some businesses prefer a different billing address than service address. For example, they may have a P.O. Box specifically for bills.

Net Payment Terms

With larger businesses and chain companies, we sometimes see customers who have problems with repeated late fees. If the bills have to be passed on through a chain of people before they are paid, the bill may be overdue before it even gets to the person who writes the check. Our providers have different **Net Payment Terms**, but if we know this could be an issue, we can always find a provider who will allow for an extended term to be written into the contract.

Payment Methods

Some customers might also require certain payment methods—online payments, automatic deductions from a bank account, or just the ability to pay by credit card. We have certain REPs who can definitely make this happen.

Meter/Base Fees

Some providers have additional meter or base fees. **Meter Fees** are monthly charges the customer will pay for each meter on the account. **Base Fees** are also monthly fees, but these are charged per account instead of per meter. With certain providers we can reduce or even eliminate extra meter fees and service charges.

Blend & Extend

If the customer is already in a contract with one of our providers, and if they are paying more than the current market rate, we can sometimes get their rate reduced in return for extending the length of the contract. With **Blend & Extend**, the rate still won't be quite as low as what we could typically offer right now, but it will save them some money right away.

Chapter 5

Energy Charges & Utility Fees

In Chapter 5, we will cover:

- Energy Supply Charges
- Nodal vs. Zonal Pricing
- Utility Charges

Most of the charges on a customer's bill will fall into one of two main categories: energy supply charges and utility charges.

Energy Supply Charges

The **Energy Supply Charge** is the cost of the electricity itself, and it is charged by the REP. Although there are several components which make up the energy supply charge, there are four which you will come across regularly: Nodal, RUC, Line Loss, and Ancillary.

Nodal

Because of congestion, there is ultimately a different price for energy at the source (the generator) and the destination (the Load Zone). This cost difference is passed on to the customer as the **Nodal Charge**, though it is also commonly referred to as **Congestion Fees** or **Basis Adjustment Fees.**

When we refer to **Congestion**, this term is actually somewhat misleading. It's not a matter of the lines being 'too full' so much as being 'too empty.' So, instead of thinking of it like congestion on the highways, think instead of a garden hose. If the line is split, then the same amount of water is now flowing through two hoses. If there are more junctions placed in the lines, water pressure will start to drop because there's not enough water to fill all the lines. This is more or less what happens with electric congestion.

RUC

To maximize the efficiency of the zonal system, Texas has established a system to maintain grid reliability when there isn't enough online generation to meet demand. This is done by turning on and off specific electricity generation units depending on the demand at that particular time. During high-usage periods, some of the generators that are usually offline are turned on to accommodate the increased demand. The cost to cover this congestion management is billed as **Reliability Unit Commitment (RUC)**.

Line Loss

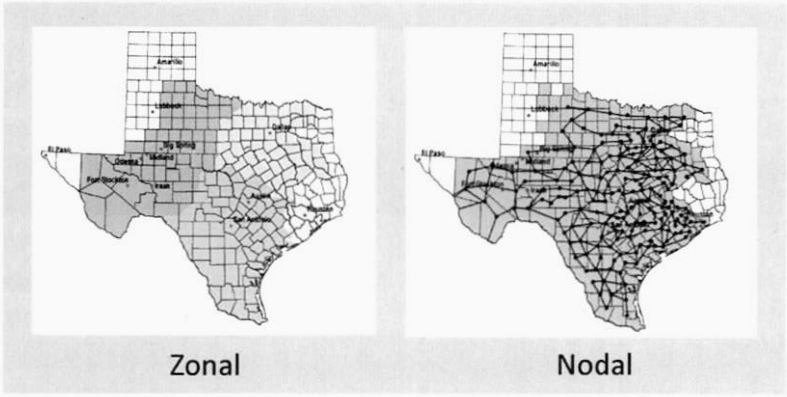
Line loss covers the energy (usually in the form of heat) which is lost in the lines due to resistance of transfer. Because of resistance in the lines, roughly 10% of the generated energy is lost, and in the US alone, this line loss is 14 times the energy consumption of New York City.

Ancillary Fees

Ancillary Fees are the cost of energy transportation from the generating station to the distribution system. This is a fairly nominal fee—usually only about 1/20¢ per kWh

Nodal vs. Zonal Pricing

In Texas, there are two different ways in which energy supply charges can be calculated. Traditionally, accounts were priced using the **Zonal System**. According to this system, the state was divided into four zones, each having its own wholesale clearing cost. In 2010, however, the **Nodal System** was introduced. With the Nodal system, pricing is based on 4,000 Nodes, sometimes called Hubs, and these are the points on the grid at which power is bought and sold. The nodal system was designed to yield pricing efficiencies by reducing congestion costs and allowing less expensive power to be accessed by more end users.



Zonal Nodal

Pricing from the HUB (Nodal pricing) means that the cost of congestion is passed on to the customer as a separate line-item on their bill. Pricing from the zone uses the average price of all the nodes in the zone, so although the rate is a little higher, it includes the congestion fees.

A Note on Peak Demand

Accounts with a peak demand under 50kW are protected from these extra components. By law, rates for these smaller customers must be all-inclusive.

Each method has its benefits. Since zonal pricing absorbs the cost of nodal/congestion, it guarantees that the full cost of the customer's energy supply will remain fixed for the duration of the agreement. However, providers are usually going hedge their bets with higher margins. Because of this, HUB pricing can sometimes be cheaper in the long run. The tradeoff is that with HUB pricing, the congestion charges could always increase over the life of the contract, so the customer may prefer the certainty of zonal pricing.

A Note on Pass-Thru Charges

The term **Pass-Thru Charges** is used to describe any charge that is passed on to the customer. In this sense it is a rather ambiguous term; it is frequently used to refer to the components of the energy supply charge as well as to the utility charges.

Be clear when talking to customers about pass-thru charges. A rate may include pass-thru charges for energy supply, but it will **never** contain pass-thru charges from the utility.

In addition to Nodal charges, customers can decide whether they want to include any of the other components in their rate or if they want them 'passed through' as separate line-items on their bill. Depending largely on zone, congestion is potentially going to be the most expensive component, so this will be the most common one for a customer to want to include or pass through. However, the other components may also be a concern for customers who use a significant amount of electricity.

When offering rates to customers, it is important to verify what type of pricing other providers are offering. If we are offering a rate that is **All-Inclusive** (includes the costs of all the extra components), a customer might feel that he is better off with a rate from another provider because it is a little lower, when in reality, he may pay much more because of the additional fees.

A Note on Non-Texas Markets

In non-Texas markets, some of the components are different, but the concept remains the same. For example, outside of Texas, there are no charges for congestion. Instead, these markets charge for **Capacity**, a similar concept involving availability of energy in high-use times.

Although these costs can still be either included in or excluded from the rate, this is not an option offered to the customer by the REP. Instead, each provider has made this decision on the corporate level.

Utility Charges

In addition to the cost of the electricity itself, customers will also be billed for the cost of transmission and distribution (delivery) of the electricity. Each utility has its own way of calculating these rates, but ultimately, there's nothing any REP or broker can do to lower (or raise) these costs.

Chapter 6

Common Questions

In Chapter 6, we will cover:

- Questions from Clients
- Questions from Agents

Questions from Clients

I am not satisfied with the service provided by my utility. Can I change utilities?
Each utility overs a specific area of the state. Unfortunately there is nothing the customer, TruEnergy, or any other company can do about this. (See Appendix C for listing)

Who do I contact in the event of a power outage?
Since the utility owns and is responsible for all the lines, poles, etcetera, power outages should still be reported to the utility.

Can I add a Residential meter to my agreement?
Some REPs will allow this depending on any or all of the following criteria:

- The usage is not greater than that of the commercial meters
- Only one Residential meter is being requested
- Prior approval has been granted
- The residential meter(s) do(es) not have a start date that is prior to the commercial ESI(s)
- The residence is corporately owned and used

See REP Options Grid in TruQuote for more information.

Questions from Agents

I have an account that would like to sign up, but they are at a new location and do not have established usage history. What should I do?
If it is available, we can price from the previous occupant's usage for the same location or from the client's usage at any previous location. Some providers allow us to submit contracts without usage. Others allow for usage to be estimated through proxy forms.

See REP Options Grid in TruQuote for more information.

I have a customer with meters in multiple TDSPs. How should I price them?
Since pricing differs by TDSP, there are a few different ways we can handle these customers. Some providers require separate contracts for multiple TDSPs. In this case, you can either have a different

rate for each contract or the same rate with different margins for each contract. Other REPs will allow us to put all of their ESIDs on the same contract at the same rate by using the higher zone's pricing. Lastly, it may be possible for the REP to aggregate the pricing for both zones through special pricing, providing one custom rate for both.

See REP Options Grid in TruQuote for more information.

My customer would like to bill each ESIID separately. Is that possible?
Any of our REPs will invoice the customers per their specific needs. Regardless of whether the customer would prefer to have each ESI billed separately and sent to multiple locations or would like to receive a summary bill, accommodations can be made. Such information will have to be specifically indicated on the contract.

Is it possible to set up billing to be paid automatically through the client's checking account or credit card?
We have multiple providers who offer Auto-Pay features, and enrollment is merely a matter of filling out a form.

See REP Options Grid in TruQuote for more information.

Is it possible to submit an agreement with multiple ESIs, each of which has a different start date?
Depending on the provider, this can usually be done through an addendum form or through special pricing.

See REP Options Grid in TruQuote for more information.

What methods can be used to send agreements to clients?
Our most preferred method is to send out contracts through **EchoSign**, a secure website owned and run by Adobe. EchoSign makes it quite easy to walk the client through the signing process. We can also email or fax contracts to the clients for signature.

If none of these methods are viable, we can send contracts through postal mail; however, due to the possibility of fluctuations in the market, we cannot guarantee that the prices will be valid once the contract is received back signed. This should always be a last resort. Remember, you can always ask if they have:

- Email at home (we may lose a little margin overnight)
- A neighbor with email or fax
- A nearby copy shop (Kinko's, etc.) where they can receive a fax

What is required for Tax-Exempted customers?
In addition to marking the appropriate space on the contract, the customer will need to fill out a Tax Exempt form that we can provide. We can file this on their behalf regardless of whether returned along with the signed agreement or at a later date.

Additional FAQs are available in the Agent Resources Portal

Chapter 9

TruEnergy On the Web

In Chapter 9, we will cover:

- The TruEnergy website
- The TruEnergy News Site
- The Agent Resources Portal

The TruEnergy Website - *TruEnergy.net*

This is our brand, and it helps our customers to have information about us at their fingertips. Familiarize yourself with the layout and the content of our website. You will want to know what customers are talking about if they mention something they saw on our site.

The TruEnergy News Site - *TruEnergy.net/news*

We know that our customers don't have the time to scour the internet for the latest news in the energy market, so we do that for them. Our News site is a great source for you (and our customers who are so inclined) to keep up with the latest info.

The News site includes:

- filters to sort posts by market (state) and by date of posting
- a search function to look up specific content
- a byline (author's name) for each post that links to the original news source (to show credibility of the information)
- a 'related posts' listing at the end of each post

Remember, you can always send a customer an email with the link to a certain page you want them to read. Just copy the url from your browser and paste it into the body of your email.

A Note on Websites

Whether you are telling a customer how to get to one of our sites or researching a customer through their website, it will be important to keep these guidelines in mind:

- Capitalization does not matter - there is no effectual difference between truenergy.net and TruEnergy.net
- There are never spaces in an internet addresses
- Website addresses will sometimes be written with www. or http://www. before the domain. These are generally optional; TruEnergy.net will go to the same place as http://www.TruEnergy.net
- Internet addresses (also called URLs) can have forward slashes (/) but not backslashes (\). They also frequently have dashes (-), underscores (_), and/or multiple 'dots' (.)
- The segment of the address following the final dot is called an extension, and there are numerous variants (.com .org .biz .gov .edu and many others). These can cause confusion because most people tend to assume a website has the extension .com For our website (and our email addresses) you may find it necessary to stress that it is .net and not .com

Agent Resources Portal – *AgentResources.TruEnergy.net*

The Resource Portal was designed to be a one-stop shop for any information you need to make a sale. Ideally, the more you use it, the more powerful it will become!

Regularly Updated Features

- Daily Idea – a short thought or concept to begin your day
- Market Update – a daily view of current market trends
- Weather – a breakdown of current weather for all of our 'offices'

Other Features

- Search – when you're looking for something specific
- Posts – articles on sales strategies, closing techniques, et cetera
- REP Bills – sample bill copies from all the major REPs
- Documents – contracts, forms, and background info for all our providers
- Miscellanea – exactly that
- Metrics – close ratios, top producers, TruEnergy record holders, et cetera
- Scripts – Ideas to help your pitch
- Agent Search – contact info for all TruEnergy employees

Note that many pages allow for your comments. You are encouraged to share your comments whether it is a reply to the content itself or to another person's comment.

Would you like to see additional features? The portal is a work-in-progress, so let us know.

TruEnergy Training Portal – *Training.TruEnergy.net*

To make sure you have all the necessary tools to be as successful as possible, our Training Portal is filled with modules on the energy market, our sales process, and more.

Chapter 10

Basic Terminology

Add/Delete Language
Language inserted into a contract to accommodate the addition or deletion of meters during the course of the contract; usually based on a percentage of the total usage

Ancillary Fees
The cost of energy transportation from the generation station to the distribution system; one of the components of the energy supply charge

Annual Usage
Total electric consumption over a year

Bandwidth
The amount of change in usage (above or below the average) before a customer will receive extra charges; also called Swing

Base Charge
A flat monthly fee charged by the REP for each account

Basis Adjustment
see Nodal Charge

Blend and Extend
The ability for a customer who is in a contract to lower the rate immediately (blending it with current market rates) in return for extending the length of the contract

Board of Public Utilities (BPU)
see Public Utility Commission (PUC)

Broker(age)
A person or company that specializes in helping customer choose the best retail provider to meet their service needs at the lowest rate

Cap
The largest margin a provider will allow the broker to add to the rate

Congestion
Insufficient energy to meet the demands of all customers

Congestion Fees
see Nodal Charges

Continuous Service Agreement (CSA)
A contract that allows for certain meters to be turned on and off throughout the term in order to eliminate utility fees on inactive meters

Co-Terminous End Date
Multiple meters grouped on one contract to create one single end date for all; *see also Staggered Start Dates*

Delivery Fees
see Utility Fees

Demand
Instantaneous power consumption; the amount of electricity being drawn at a given moment

Demand Meter
A device that measures the amount of electric energy consumed in kWh

Deregulation
In energy, restructuring of the market to break up monopolies & promote competition

Distribution
The delivery of electricity or natural gas to the retail customer's home or business through local lines or pipes

Distribution Fees
see Utility Fees (Charges)

Early Termination Fees (ETFs)
Penalties charged to the customer in the event that the contract is canceled before its expiration

EDialer
The predictive dialing system that TruEnergy uses to place outgoing calls to potential customers; *also called ViciDial*

Electric Co-Operative (Co-Op)
The utility in a non-deregulated area; it may or may not allow customers to choose between certain providers

Electric Service Identifier (ESI or ESID)
A unique number assigned to each electrical meter. ESIs are used to track usage for the purposes of billing (referred to as E.S.I or "easy").

Energy (Supply) Charge
A charge based on the electric energy (kWh) consumed; contains additional components which may be 'passed through' as separate line items on the bill or included in a slightly higher rate

ETiger
The Customer Relationship Management software that TruEnergy uses to manage all aspects of the sales process

Forward Start Date
Amount of time prior to the start of a contract that a provider will provide us with rates

Gatekeeper
Usually the person who answers the phone; some have the specific job of filtering out 'unimportant' calls

Hub
The point from which electricity is distributed to the end user

HUB to Load Zone Pricing
see Nodal Charge

Historical Usage Data (HUD)
A spreadsheet from the utility company that contains the energy usage of a customer for the past twelve months

Individual Billing
Billing that is several individual bills with same due date, sent to one billing or service address

Kilowatt (kW)
The standard unit for measuring electricity demand (equal to 1000 watts)

Kilowatt Hour (kWh)
The standard unit of measuring energy consumption (equal to 1000 watts used continuously for 1 hour)

Line Loss
Fees assessed to recover the energy lost through travel from the hub to the end user

Load Profile
The amount of electricity that is consumed by an end user over a given period of time

Margin
Amount of money added to a provider's rate, payable to the broker

Megawatt Hour (MWh)
The standard unit of measuring annual energy consumption (equal to 1,000 kWh)

Meter
The device used to measure electric usage; can be a demand meter or a non-demand meter

Meter Fee
A flat monthly fee charged by the REP for each ESI being billed

Mil
An incremental measurement used to calculate energy rates; equal to 1/10¢

Net Payment Terms
Language inserted into a contract to allow for extra time for the customer to pay the bill before late fees are assessed

Nodal Charge
The price difference between energy price at the source (the generator) and energy price at the destination (the load zone) due to the cost of delivering electricity; basically it is an average price of nodes in a zone; *also called Congestion Fees, Basis Adjustment, or HUB to Load Zone Pricing; one of the components of the energy supply charge*

Nodal System
A new system that the deregulated Texas electricity market transitioned to in December 2010. In the Nodal market, power is bought and sold at over 4000 different points on the grid called "nodes"—This system is designed to yield pricing efficiencies by reducing congestion costs and allowing less

expensive power to be accessed by more end users and has fundamentally altered the way electricity is bought and sold in Texas.

Node
A point in the Texas electrical grid at which electricity is bought and sold

Non-Demand Meter
Meters used for certain types of equipment such as guard lights, which use the same amount of energy over a billing cycle—Consequently, there is no need to measure the amount of electricity used since it always remains the same.

Pass-Thru Charges
Charges that are passed on to the customer; can refer to either the various components of the energy supply charges which may or may not be included in the rate or to the utility fees

Peak Demand
The highest demand of energy consumption within a window of time (usually a 15-30 minute interval)

Public Service Commission (PSC)
see Public Utility Commission (PUC)

Public Utility Commission (PUC)
The state regulatory agency that provides oversight, policy guidance, and direction to electric public utilities; *called PSC (Public Service Commission) or BPU (Board of Public Utilities) in some states*

Reliability Unit Commitment (RUC)
A charge to ensure sufficient generation capacity in the proper locations

Retail Electric Provider (REP)
A company licensed to provide electric generation products and services to end-user customers. The REP is the company that sells the energy directly to the customer and handles the billing. Customers may choose their provider to acquire the best rates.

Separate Billing
Billing for multiple locations sent to each individual address

Smart Meter
A demand meter which functions digitally (as opposed to an analog meter)

Split
The amount of margin allowed, after which the provider will take half

Staggered Start Dates
Multiple meters with varying start dates, included on the same contract; *see also Co-Terminous End Dates*

Swing
see Bandwidth

Summary (Consolidated) Billing
Billing that places all meters on one bill

TDSP Fees
see Utility Fees (Charges)

Transmission and Distribution Service Provider (TDSP)
see Utility

Transmission and Distribution Utility (TDU)
see Utility

Transmission Distribution Charges
see Utility Fees (Charges)

Transmission Systems Operator (TSO)
see Utility

Usage
The total amount of electricity used over a period of time, usually a month or a year

Utility
In the deregulated energy market, the entity responsible for the delivery of electricity from the hub (distribution point) to the end user. The utility is responsible for the poles, wires, meters and meter reading; *also known in Texas as the TDSP (Transmission and Distribution Service Provider), TDU (Transmission and Distribution Utility), or the TSO (Transmission System Operator)*

Utility Fees (Charges)
Charges from the utility to cover transmission and distribution over poles and wires; also called Pass-Thru Charges, TDSP Fees, Transmission Distribution Charges, Distribution Fees, or Delivery Fees; can be called Pass-Thru charges, though this term is ambiguous since it can also refer to the various components of the energy supply charge

ViciDial
see EDialer

Wholesale Generator
The entity which generates, or produces, energy

Zonal Pricing
The average price of nodes in a zone including price of nodal congestion—If the REP absorbs the Nodal charge it is referred to as being priced from the Zone or Zonal Pricing.

Zonal System
The system in Texas in which 4 distinct geographic regions or "zones" existed with one wholesale clearing price in each zone.

Zone
One of four electricity zones (regions) in Texas

Appendix A

Service Areas

Currently, TruEnergy services the following deregulated markets:

- **Texas**
- **California**
- **Connecticut**
- **Washington D.C.**
- **Delaware**
- **Illinois**
- **Massachusetts**
- **Maryland**
- **Maine**
- **New Jersey**
- **New York**
- **Pennsylvania**
- **Ohio**
- **Rhode Island**

Appendix B

REP Listing

Below is a listing of TruEnergy's Provider Partners. For background and contact information on these, see TruEnergy's Agent Resource Portal. To compare each REP's contract offerings, see the REP Options Grid in TruQuote.

Texas

- AmeriPower
- Andeler Power
- AP Gas & Electric
- Brilliant Energy
- Champion
- Cirro
- Constellation (gas contracts)
- Direct Energy
- Entrust
- GDF Suez
- Green Mountain
- Hudson Energy
- Liberty Power
- Potentia
- Pro Power Providers
- StarTex
- Summer Energy

Illinois

- Champion
- Constellation
- Direct Energy
- Energy.me
- GDF Suez
- Hudson
- Liberty

Pennsylvania, New Jersey, & Ohio

- Champion
- Constellation
- Energy.me
- GDF Suez
- Hudson
- Liberty

New York

- Champion
- Constellation
- Direct Energy
- Energy.me
- GDF Suez
- Hudson
- Liberty

Maryland & Washington DC

- Horizon Power & Light

Massachusetts & New Hampshire

- Isone

Appendix C

Utility Listing

Below is a listing of all the utilities in the states that TruEnergy most commonly services. Each utility services a specific area of the state and has its own ESI number ranging from 10-21 digits. For more information on this, see TruEnergy's Agent Resource Portal.

Texas Utilities

- Oncor
- Oncor SESCO
- CenterPoint
- AEP Central aka Central Power & Light (CPL)
- AEP North aka West Texas Utility (WTU)
- Texas-New Mexico Power (TNMP)
- Sharyland

New Jersey Utilities

- Atlantic City Electric (ACE)
- Jersey City Power & Light (JCP&L)
- Public Service Enterprise Group (PSEG)

New York Utilities

- Central Hudson (CenHud)
- Condolidate Edison (ConEd)
- Rochester Gas & Electric (RGE)
- Orange & Rockland (O&R)

Illinois Utilities

- Ameren
- Commonwealth Edison (ComEd)

Pennsylvania Utilities

- Duquesne (DUQ)
- Metropolitan Edison Co (MetEd)
- Pennsylvania Electric (Penelec)
- Penn Power (PennPr) aka First Energy
- Philadelphia Electric & Gas Co (PECO)
- Pennsylvania Power & Light (PPL)
- West Penn Power (WPP) aka Allegheny

Ohio Utilities

Electric

- American Eletric Power (AEP)
- Dayton Power & Light
- Duke Energy Ohio
- First Energy
- The Illuminating Company
- Ohio Edison
- Toledo Edison

Gas

- Columbia Gas of Ohio
- Dominion East Ohio
- Duke Energy Ohio
- Vectren Energy Delivery of Ohio

Attachment D

Danny Jester

President/CEO, TruEnergy

SUMMARY

Danny Jester has over twenty years of experience creating, building, and managing companies. He uses a hands-on style of management, operationally focused, with an emphasis on the processes, the technology, and the checks and balances to build scalable businesses. He is the Founder and President of TruEnergy, one of the country's largest privately-held commercial electricity brokers. He is the Co-Founder of The Garage, a Business Accelerator Program, located in Dallas, Texas, that focuses on providing mentorship and access to capital to start-up and growing companies. Mr. Jester holds a BBA in Accounting and Finance from Texas A&M University.

AREAS OF EXPERTISE

- Operational Management
- Business Creation/Development
- Capital Acquisition/Exit Strategy
- Customer Acquisition & Penetration
- Complex Contract Negotiations
- Financial & Profit Analysis
- Account Relationship Management
- P&L Management and Reporting
- International Project Outsourcing

PROFESSIONAL EXPERIENCE

February 2009 – Present
Founder/CEO/President **TruEnergy Services, LLC (DBA TruEnergy)**

TruEnergy is a privately held energy broker and consulting firm representing many of the country's largest Retail Energy Providers. Our management team leads a highly trained group of expert Energy Consultants that have brought in thousands of dollars in savings for commercial & industrial energy users, while adding millions in contract value to the balance sheets of US and globally based energy providers.

Business Creation, Market Penetration, Process Development

- Established supplier agreements and preferred relationships with many of the country's largest and most reputable Retail Energy Suppliers.
- Developed internal software, systems, and processes to acquire and manage commercial electricity and gas clients.
- Expanded and grown customer base to include almost 10,000 commercial clients of all sizes across 18 states including small businesses, large commercial and industrial corporations, chains, cities, governmental agencies and schools.
- Continues to expand and obtain licenses in new deregulated energy markets.

April 2004 – July 2009
Founder/Managing Partner **Debit Resources, LLC**

Developed the first processor neutral Enhanced Service Provider platform for the purpose of providing customized voice-enabled payment applications for the Debit/Credit Payments industry.

8222 Douglas Ave., Suite 200 • Dallas, TX 75225 • Voice: 214.683.2256 • Fax: 214.271.0142 • danny.jester@TruEnergy.net

Danny Jester

Market Creation, Penetration, and Exit

- Identified target clients through industry contacts, networking events, trade shows, and referrals including banks and payment processors that were being underserved by existing providers in a unique market niche.
- Negotiated with C-Level executives to implement channel partner strategies with client base that allowed for revenue/profit participation, converting a cost center into a lucrative profit center for clients.
- Expanded customer base from one BIN on a single processor to over 300 BINs across a portfolio of some of the largest providers serving the market including First Data Corp, RBS/Lynk and MetaBank, representing over 10 million user accounts.
- Negotiated multi-year carrier contracts with domestic and international telecommunications companies that supported the underlying transport infrastructure of the voice and data communications.
- Successfully negotiated the sale of the proprietary assets of the Company to a strategic client.

July 2006 – March 2009
Founder/Managing Partner **SwitchLease, LLC**

SwitchLease, LLC was created as a facilities-based provider of hosted switching solutions targeting the wholesale carrier marketplace. The Company developed proprietary routing, rating, reporting and billing software to enable Tier 2 and Tier 3 wholesale carriers to buy and sell domestic and international origination and termination.

Market Development and Exit

- Expanded international customer base to include over 100 hosted switch customers representing millions of minutes per month of wholesale carrier traffic through channel development and distributor programs.
- Established and negotiated multi-million dollar bilateral wholesale carrier agreements with Tier 2 and Tier 3 international carriers in LATAM, Europe, and Asia.
- Successfully negotiated the sale of the proprietary assets of the Company to a Tier 2 wholesale carrier.

January 2000 – May 2004
Founder/President **Nuava Networks, LP**

Founded Nuava Networks, LP as a facilities-based provider of wholesale carrier services, prepaid calling card services, unified messaging and conferencing services.

Business Creation, Development, and Exit

- Created company vision, business and marketing plan, vendor selection and negotiation of hardware and software, as well as pricing and rate negotiations with vendors and carriers.
- Established and negotiated bilateral multi-million dollar wholesale carrier agreements with most of the largest Tier 1 international carriers including AT&T, Level3, Qwest, Primus and Worldcom.

8222 Douglas Ave., Suite 200 • Dallas, TX 75225 • Voice: 214.683.2256 • Fax: 214.271.0142 • danny.jester@TruEnergy.net

Danny Jester

▪ Established and negotiated international carrier agreements in Mexico with Protel, Telmex, Alestra and Marcatel. Established POPs (Points of Presence) in multiple cities throughout Mexico and LATAM region to provide pricing efficiencies for the transport of voice traffic (minutes) from USA to international destinations.
▪ Expanded the capacity and volume of minutes from less than a million minutes per month to over 40 million minutes per month of prepaid and wholesale international termination traffic.
▪ Established a nationwide network of Agents and Distributors of prepaid calling cards.
▪ Early adopter of VOIP technologies for transport and interconnection of wholesale termination routes.
▪ Successful exit included selling wholesale assets to equity partner in Mexico while maintaining proprietary software and switching facilities that would be rolled up as part of the founding of Debit Resources, LLC.

February 1996 – January 2000
Founder/President **Network Global Communications, Inc.**

Founded Network Global Communications, Inc. as a non-facilities based provider of telecom services for hotels, pay phones, and casetas (calling centers) from Mexico to the United States.
▪ Traveled extensively throughout rural Mexico to establish a network of Agents to provide collect calls, international callback, and prepaid calling card services to casetas, payphones and hotel operators.
▪ Established strategic bilateral origination and termination agreements with Mexico-based carriers including Protel, Avantel, Telmex and Bestel. The operations of Network Globalcom were rolled up as part of the founding of Nuava Networks, LP.

EDUCATION

Texas A&M University; College Station, Texas
BBA in Accounting and Finance 1994
White Oak High School; Longview, Texas
Valedictorian 1989

8222 Douglas Ave., Suite 200 ▪ Dallas, TX 75225 ▪ Voice: 214.683.2256 ▪ Fax: 214.271.0142 ▪ danny.jester@TruEnergy.net