

FILE

Ohio

Public Utilities  
Commission

Original AGG Case Number	Version
18-0953-01-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 BETTER COST ENERGY LLC  
 Address 12714 VEIRS MILL ROAD #104 ROCKVILLE MD 20853  
 PUCO Certificate # and Date Certified 13-703 E JUNE 17, 2013  
 Telephone # (240) 688-3755 Web site address (if any) BETTERCOSTENERGY.COM

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

Legal Name BETTER COST ENERGY  
 Address 12714 VEIRS MILL ROAD #104 ROCKVILLE MD 20853  
 Telephone # (240) 688-3755 Web site address (if any) BETTERCOSTENERGY.COM

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

A-5 Contact person for regulatory or emergency matters

Name PETER LEITER  
 Title CFO  
 Business address 12714 VEIRS MILL ROAD #104 ROCKVILLE MD 20853  
 Telephone # (240) 688-3755 Fax # (866) 728-8434  
 E-mail address PLEITER@BETTERCOSTENERGY.COM

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.  
 Technician DR Date Processed 6/8/20

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

Name PETER LEITER

Title CFO

Business address 12714 VEIRS MILL ROAD #104 ROCKVILLE MD 20853

Telephone # (240) 688-3755

Fax # (866) 728-8434

E-mail address PLEITER.@BETTERCOSTENEI

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

Customer Service address 12714 VEIRS MILL ROAD #104 ROCKVILLE MD 208

Toll-free Telephone # (866) 580-3111

Fax # (866) 728-8434

E-mail address PLEITER.@BETTERCOSTENEI

**A-8 Applicant's federal employer identification number # 46-0667314**

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

☐ Sole Proprietorship

☐ Limited Liability Partnership (LLP)

☐ Corporation

☐ Partnership

☒ Limited Liability Company (LLC)

☐ 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. *NONE*

- 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 **ELECTRIC 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 Experian, 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.

  
Signature of Applicant & Title

Sworn and subscribed before me this 19 day of MAY, 2020  
Month Year

  
Signature of official administering oath

Brian Foulke Notary Public  
Print Name and Title

My commission expires on October 08 2023

# **AFFIDAVIT**

State of Maryland :

Rockville ss.  
(Town)

County of Montgomery :

Ref. Gith, Affiant, being duly sworn/affirmed according to law, deposes and says that:

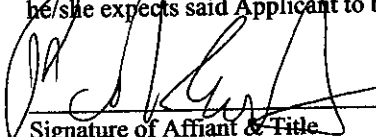
He/She is the CFO (Office of Affiant) of Bethel City Kenilworth (Name of Applicant);

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

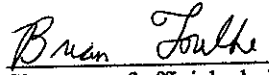
1. The Applicant herein, attests under penalty of false statement that all statements made in the application for certification renewal are true and complete and that it will amend its application while the application is pending if any substantial changes occur regarding the information provided in 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.

  
Signature of Affiant & Title CFO

Sworn and subscribed before me this 29 day of May, 2020 Year  
Month

  
Signature of official administering oath

Brian Foulke, Notary Public  
Print Name and Title

**EXHIBIT A-10**

**"PRINCIPAL OFFICERS, DIRECTORS & PARTNERS"**

**Peter Leiter, CFO  
12714 Veirs Mill Road, Suite 104  
Rockville, MD 20853  
240-688-3755**

**Jeffery Council, President  
6 McKay Circle  
Cabin John, MD 20818  
240-855-2127**

**Malgorzata Adra, Vice President  
12714 Veirs Mill Road, Suite 104  
Rockville, MD 20853  
240-421-5666**



**EXHIBIT B-1**

**"JURISDICTIONS OF OPERATION"**

**Better Cost Energy, LLC is licensed and registered with the District of Columbia as of January 9, 2013.**

**Better Cost Energy, LLC is licensed and registered with the State of Maryland as of October 23, 2013.**

**Better Cost Energy, LLC is licensed and registered with the State of Ohio as of June 17, 2013.**

**Better Cost Energy, LLC is licensed and registered with the State of Illinois as of January 7, 2014.**

**Better Cost Energy, LLC is licensed and registered with the State of Virginia as of May 14, 2020.**

**Please see attached copy of licenses**

**PUBLIC SERVICE COMMISSION OF THE DISTRICT OF COLUMBIA  
1333 H STREET N.W., 2ND FLOOR, WEST TOWER  
WASHINGTON, D.C. 20005**

**ORDER**

**January 9, 2013**

**FORMAL CASE NO. EA 2012-22 IN THE MATTER OF THE APPLICATION OF  
BCE, LLC D/B/A BETTER COST ENERGY, LLC FOR AN ELECTRICITY  
LICENSE, Order No. 17037**

1. By this Order, the Public Service Commission of the District of Columbia ("Commission") grants a license to BCE, LLC d/b/a Better Cost Energy, LLC ("BCE, LLC" or "Applicant") to function as an electricity supplier in the District of Columbia.<sup>1</sup> Specifically, BCE, LLC intends to operate as a broker of electricity for commercial and industrial customers in the District of Columbia, pursuant to Section 34-1505 of the "Retail Electric Competition and Consumer Protection Act of 1999 ("Act")."<sup>2</sup>

2. On October 22, 2012, BCE, LLC filed its license application.<sup>3</sup> Pursuant to the Commission's licensing requirements as set forth in Order No. 11796,<sup>4</sup> BCE, LLC has provided the following information:

- a) Proof of technical and managerial competence;
- b) An affidavit of compliance with applicable Federal and District of Columbia environmental laws and regulations dated October 9, 2012;
- c) Proof of financial integrity to include financial statements;
- d) Proof that BCE, LLC has registered with the Department of Consumer and Regulatory Affairs to do business in the District of Columbia;
- e) An affidavit that BCE, LLC is subject to all applicable taxes;

<sup>1</sup> D.C. Official Code § 34-1501(17) (2010 Repl.) defines, in part, an electricity supplier as "a person, including an aggregator, broker, or marketer, who generates electricity; sells electricity; or purchases, brokers, arranges or markets electricity for sale to customers."

<sup>2</sup> D.C. Official Code § 34-1505; see generally §§ 34-1501-1520.

<sup>3</sup> *Formal Case No. EA 2012-22, In the Matter of the Application of BCE, LLC d/b/a Better Cost Energy, LLC*. Application of BCE, LLC filed October 22, 2012. BCE, LLC submitted supplemental information regarding its application on December 10, 2012 and January 7, 2013.

<sup>4</sup> *Formal Case No. 945, In the Matter of the Investigation into Electric Service Market Competition and Regulatory Practices*, Order No. 11796 at Attachment C, rel. September 20, 2000.

f) An affidavit dated October 9, 2012, stating that BCE, LLC will comply with all the requirements of all orders and regulations of the Commission; and

g) Applicant's website address: <http://www.bettercostenergy.com/>.

3. After a complete review of the application, the Commission finds that granting the application of BCE, LLC d/b/a Better Cost Energy, LLC will serve the public interest. The information contained in its application demonstrates that the Applicant has the ability and the financial integrity to serve electricity customers in the District of Columbia.

**THEREFORE, IT IS ORDERED THAT:**

4. The application of BCE, LLC d/b/a Better Cost Energy, LLC for a license to conduct business in the District of Columbia as an electricity supplier is hereby **GRANTED**.

**A TRUE COPY:**

**BY DIRECTION OF THE COMMISSION:**



**CHIEF CLERK:**

**BRINDA WESTBROOK-SEDGWICK  
COMMISSION SECRETARY**

COMMISSIONERS

W. KEVIN HUGHES  
CHAIRMAN

HAROLD D. WILLIAMS  
LAWRENCE BRENNER  
KELLY SPEAKES-BACKMAN  
ANNE E. HOSKINS

STATE OF MARYLAND



PUBLIC SERVICE COMMISSION

#5, 10/23/13 AM; ML#s 148868 and 149967  
License Reference No.: IR-3164

October 23, 2013

Peter A. Leiter  
Secretary/Treasurer  
Better Cost Energy, LLC  
12714 Veirs Mill Road, Suite 204  
Rockville, MD 20853

Dear Mr. Leiter:

On May 17, 2013, Better Cost Energy, LLC ("Company") filed an Application for a license to supply electricity or electric generation services in Maryland under COMAR 20.51. The Company proposes to provide electricity supplier services in Maryland for commercial and industrial customers as described in the application. Additional information was filed on September 20, 2013 and October 8, 2013.

After considering this matter at the October 23, 2013 Administrative Meeting, the Commission granted the Company a license to supply electricity or electric generation services in Maryland in accordance with its Application (License Reference Number IR-3164). The license granted by the Commission under this Letter Order is limited solely to electricity supplier broker services to commercial and industrial customers. Additionally, the Company is directed to file marketing and training materials specific to its Maryland operations upon development for Commission review.

Finally, the Company is reminded that it is under a continuing obligation to notify the Commission within 30 days of any changes to the information upon which the Commission relied in granting this license. A copy of the supplemental or updated information is required to be filed concurrently with the Office of People's Counsel.

By Direction of the Commission,

A handwritten signature in black ink, appearing to read "David J. Collins".

David J. Collins  
Executive Secretary

DJC/st

cc: Phil VanderHeyden, Electricity Division

WILLIAM DONALD SCHAEFER TOWER • 6 ST. PAUL STREET • BALTIMORE, MARYLAND 21202-6806

410-767-8000

Toll Free: 1-800-492-0474

FAX: 410-333-6495

MDRS: 1-800-735-2258 (TTY/Voice)

Website: [www.psc.state.md.us/psc/](http://www.psc.state.md.us/psc/)

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**Public Utilities  
Commission**

Asim Z. Haque, Chairman

Commissioners  
M. Beth Trombold  
Thomas W. Johnson  
Lawrence K. Friedman  
Daniel R. Conway

**PUBLIC UTILITIES COMMISSION OF OHIO**

*Certified as a Competitive Retail Electric Service Provider*

Certificate Number:

**18-1319E (1)**

Issued Pursuant to Case Number(s):

**18-0953-EL-AGG**

A certificate as a Competitive Retail Electric Service Provider is hereby granted to, **Better Cost Energy** whose office or principal place of business is located at **12714 Veirs Mill Road, Suite 104, Rockville, MD 20853** to provide **aggregation and power broker** services within the State of Ohio effective **July 01, 2018**.

The certification of competitive retail electric suppliers is governed by Section 4901:1-24-(01-13) of the Ohio Administrative Code, Section 4901:1-21-(01-15) of the Ohio Administrative Code, and Section 4928.08 of the Ohio Revised Code.

This Certificate is revocable if all of the conditions set forth in the aforementioned case(s) are not met.

Subject to all rules and regulations of the Commission, now existing or hereafter promulgated.

Witness the seal of the Commission affixed at Columbus, Ohio.

**Dated: July 2, 2018**

By Order of

PUBLIC UTILITIES COMMISSION OF OHIO

Barcy F. McNeal, Secretary

Tanowa M. Troupe, Acting Secretary

Susan Patterson, Acting Secretary

Beverly Hoskinson, Acting Secretary

**Certificate Expires: July 01, 2020**



ILLINOIS COMMERCE COMMISSION

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January 8, 2014

Re: 13-0670

Dear Sir/Madam:

Attached is a copy of the Order entered by this Commission. Related memoranda will be available on our web site ([www.icc.illinois.gov/e-docket](http://www.icc.illinois.gov/e-docket)) in the docket number referenced above.

Sincerely,

A handwritten signature in cursive script, reading "Elizabeth A. Rolando".

Elizabeth A. Rolando  
Chief Clerk

EAR:sc  
Enc.

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**STATE OF ILLINOIS**  
**ILLINOIS COMMERCE COMMISSION**

<b>Better Cost Energy LLC</b>	:	
	:	<b>13-0670</b>
<b>Application for Licensure of Agents,</b>	:	
<b>Brokers and Consultants under Section</b>	:	
<b>16-115C of the Public Utilities Act.</b>	:	

**ORDER**

By the Commission:

**I. INTRODUCTION**

On December 9, 2013, Better Cost Energy LLC ("Applicant") filed a verified application with the Illinois Commerce Commission ("Commission") requesting a certificate of service authority to operate as an agent, broker, or consultant ("ABC") in Illinois pursuant to Section 16-115C of the Public Utilities Act ("Act"), 220 ILCS 5/1-101 et seq., and 83 Ill. Adm. Code 454, "Licensure of Retail Electric Agents, Brokers and Consultants" ("Part 454"). Applicant requests authority to offer services as an ABC for the procurement or sale of retail electricity supply for third parties in the State of Illinois. Since all of the information to grant the requested relief was contained in the application, the Hearing was waived.

**II. REQUIREMENTS FOR ALL APPLICANTS UNDER SECTION 16-115C OF THE ACT**

Applicant is a business organized under the laws of Maryland and authorized to transact business in Illinois. Applicant has certified that it will comply with all applicable regulations; that it will comply with informational and reporting requirements established by Commission rule; that it will comply with informational and reporting requirements pursuant to Section 16-115C of the Act; and that it will comply with all other applicable laws, regulations, terms, and conditions required to the extent they have application to the services being offered by an ABC. Applicant has agreed to ensure that any person who acts on its behalf will comply with all applicable sections of Part 454. Applicant agrees that it will remain in compliance with the provisions of the Act and Part 454, and will ensure that authorizations received from customers, and all other applicable records are retained for a period of not less than three calendar years after the calendar year in which they were created. Applicant has agreed to adopt and follow rules and procedures to preserve the confidentiality of its customers' data. The Applicant has also attested that no complaints have been filed against it for its provision of services in the

electric or gas industry in the jurisdictions where it provides or is seeking to provide services.

### **III. FINANCIAL, TECHNICAL, AND MANAGERIAL REQUIREMENTS OF SECTION 16-115C**

Applicant is required by Section 454.60 to demonstrate that it meets the managerial qualifications necessary to provide services as an ABC. Applicant must further provide an organizational chart that indicates the position of persons which satisfy the managerial qualification. Applicant has demonstrated that it meets the managerial qualifications set forth in Section 454.60 through Attachment A. Attachment A contains a corporate organizational chart and identifies the occupational background information of the persons being used to meet the requirements of Section 454.60(a). Attachment A also contains occupational background information on the person or persons being used to meet the requirements of Section 454.60(a).

Applicant is required by Section 454.70 to demonstrate that it meets the technical qualifications necessary to provide services as an ABC. Applicant has demonstrated that it meets the technical qualifications set forth in Section 454.70 with the information provided in Attachment A. Attachment A contains occupational background information on the person or persons being used to meet the requirements of Section 454.70(a).

Pursuant to the requirements of Section 454.80 of Part 454, Applicant provided a surety bond in the amount of \$5,000 issued by a qualifying surety authorized to transact business in Illinois. Applicant further agrees to comply with the Code of Conduct for ABCs contained in Section 454.90.

### **IV. COMMISSION CONCLUSION AND CERTIFICATE OF SERVICE AUTHORITY**

The Commission has reviewed the application and attachments along with the supplementary information provided by Applicant regarding the technical, managerial, and financial requirements and all other requirements of the Act and Part 454 and finds that the Applicant sufficiently demonstrates compliance with the requirements. The Commission concludes, therefore, that Applicant's request for a certificate of service authority to operate as an ABC in Illinois should be granted and should include the following authority:

#### **CERTIFICATE OF SERVICE AUTHORITY**

IT IS CERTIFIED that Better Cost Energy LLC is granted service authority to operate as an agent, broker, or consultant for the procurement or sale of retail electricity supply for third parties in the State of Illinois.



**V. FINDINGS AND ORDERING PARAGRAPHS**

The Commission, having reviewed the entire record, is of the opinion and finds that:

- (1) Better Cost Energy LLC, a business organized under the laws of Maryland and authorized to transact business in Illinois, seeks a certificate of service authority to operate as an ABC under Section 16-115C of the Act;
- (2) the Commission has jurisdiction over the party hereto and the subject matter hereof;
- (3) the recitals of fact and conclusions reached in the prefatory portion of this Order are supported by the record and are hereby adopted as findings of fact;
- (4) Better Cost Energy LLC has demonstrated that it possesses sufficient financial, managerial, and technical resources and abilities to provide services as an ABC for the procurement or sale of retail electricity supply to third parties in the State of Illinois;
- (5) Better Cost Energy LLC has complied with Section 16-115C of the Act and Part 454; and
- (6) Better Cost Energy LLC should be granted a certificate of service authority to operate as an ABC as specified in this Order.

IT IS THEREFORE ORDERED by the Illinois Commerce Commission that Better Cost Energy LLC is hereby granted a Certificate of Service Authority authorizing it to operate as an agent, broker, or consultant; said Certificate of Service Authority shall read as that set forth in Section IV of this Order.

IT IS FURTHER ORDERED that Better Cost Energy LLC shall comply with all applicable Commission rules and orders now and as hereafter amended.

IT IS FURTHER ORDERED that, subject to the provisions of Section 10-113 of the Public Utilities Act and 83 Ill. Adm. Code 200.880, this Order is final; it is not subject to the Administrative Review Law.

By Order of the Commission this 7<sup>th</sup> day of January, 2014.

(SIGNED) DOUGLAS P. SCOTT

Chairman

## STATE CORPORATION COMMISSION

AT RICHMOND, MAY 14, 2020

*Document Control Center 05/14/20@10.31 AM*

## APPLICATION OF

BETTER COST ENERGY LLC

CASE NO. PUR-2020-00054

For a license to do business as an electricity  
and natural gas aggregator

ORDER GRANTING LICENSE

On March 25, 2020, Better Cost Energy LLC ("Better Cost" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for a license to do business as an electricity and natural gas aggregator in the Commonwealth of Virginia.

The Company seeks authority to offer electricity and natural gas aggregation services to eligible commercial, industrial, and governmental customers throughout Virginia.<sup>1</sup> Better Cost attested that it would abide by all applicable regulations of the Commission as required by 20 VAC 5-312-40 B of the Commission's Rules Governing Retail Access to Competitive Energy Services ("Retail Access Rules").<sup>2</sup>

On April 3, 2020, the Commission entered an Order for Notice and Comment ("Procedural Order") requiring, among other things, the Company to serve a copy of the Procedural Order upon each of the utilities listed in Attachment A to the Procedural Order. On

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<sup>1</sup> Retail choice for natural gas service presently exists only in the service territories of Washington Gas Light Company and Columbia Gas of Virginia, Inc. Access to large commercial and industrial gas customers in all gas distribution service territories has existed under Federal Energy Regulatory Commission authority since the mid-1980s. Retail choice for electricity exists only in the service territories of Virginia Electric and Power Company d/b/a Dominion Energy Virginia ("Dominion"), Appalachian Power Company, and the electric cooperatives. Moreover, retail choice for electricity is only permitted pursuant to the customer classes, load parameter, and renewable energy sources as set forth in the Code of Virginia.

<sup>2</sup> 20 VAC 5-312-10 *et seq.*

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April 8, 2020, Better Cost filed proof of service. Through its Procedural Order, the Commission also directed that written comments on the Application may be filed with the Clerk of the Commission on or before April 22, 2020. Dominion filed comments on April 22, 2020.

Additionally, the Procedural Order directed the Staff of the Commission ("Staff") to analyze the Application and present its findings in a report ("Report"). On April 29, 2020, the Staff filed its Report, which summarized Better Cost's proposal and evaluated its financial condition and technical fitness. Based on its review of the Application, Staff recommended that Better Cost be granted an aggregator's license to conduct business as a competitive service provider of electricity and natural gas to eligible commercial, industrial, and governmental customers in the Virginia service territories open to retail competition.

NOW THE COMMISSION, upon consideration of the Application, the record of the case, and applicable law, finds that Better Cost's Application for a license to provide electric and natural gas aggregation services should be granted, subject to the conditions set forth below.

Accordingly, IT IS ORDERED THAT:

(1) Better Cost is hereby granted license No. A-100 to provide competitive aggregation service of electricity and natural gas to eligible commercial, industrial, and governmental customers throughout Virginia. This license to act as an aggregator is granted subject to the provisions of the Retail Access Rules, this Order, and other applicable statutes.

(2) This license is not valid authority for the provision of any product or service not identified within the license itself.

(3) This case shall remain open for consideration of any subsequent amendments or modifications to this license.

A COPY hereof shall be sent electronically by the Clerk of the Commission to all persons on the official Service List in this matter. The Service List is available from the Clerk of the Commission.

**EXHIBIT B-2**

**"EXPERIENCE & PLANS"**

**Better Cost Energy, LLC directors have over 13 years of experience in brokering electricity in the State of Maryland, State of Ohio, State of Illinois, State of Virginia, and the District of Columbia.**

**We only provide brokering services only; we DO NOT provide any contract services, billing statements nor handle any communications with customers. The service providers we represent provide all of these services.**

**EXHIBIT B-3**

**"DISCLOSURE OF LIABILITIES AND INVESTIGATIONS"**

**Better Cost Energy, LLC have none to disclose.**

**EXHIBIT B-4**

**"DISCLOSURE OF LIABILITIES AND INVESTIGATIONS"**

**NO**

**EXHIBIT B-5**

**"DISCLOSURE OF LIABILITIES AND INVESTIGATIONS"**

**NO**

**EXHIBIT C-1**

**"ANNUAL REPORTS"**

**Better Cost Energy, LLC has no financial reports at this time.**

**EXHIBIT C-2**

**"SEC FILINGS"**

**NOT APPLICABLE AT THIS TIME**

**EXHIBIT C-3**

**"FINANCIAL STATEMENTS"**

**See attached CPA Revenue Pages**

**EXHIBIT C-4**

**"FINANCIAL ARRANGEMENTS"**

**NOT APPLICABLE AT THIS TIME**

**EXHIBIT C-5**

**"FORECASTED FINANCIAL STATEMENTS"**

**NOT APPLICABLE AT THIS TIME**

**C-6 Exhibit C-6 "Credit Rating,"**

**"N/A"**

**C-7 Exhibit C-7 "Credit Report,"**

**"N/A"**

**C-8 Exhibit C-8 "Bankruptcy Information,"**

**"N/A"**

**C-9 "Merger Information,"**

**"N/A"**

**C - 10 "Corporate Structure,"**

**We are a stand-alone entity with no affiliate or subsidiary companies.**



**2017**

**Better Cost Energy LLC**

Federal  
Tax

Your Refund is \$ 0

Your Balance due is \_\_\_\_\_

Make check payable to : **United States Treasury**

State Tax

Your Refund is \$ 0

Your Balance due is \_\_\_\_\_

Make check payable to: **Comptroller of Maryland**

Before you mail the enclosed copies of your income tax returns, we want to remind you:

1. Check Social Security number and address.
2. Sign and date all your returns (If joint return, both spouses must sign).
3. Enclosed your payment. Print your EIN number on each check.
4. Place your copy in safe place keeping for Seven (7) years.

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Form 1120S

## U.S. Income Tax Return for an S Corporation

OMB No. 1545-0123

2017

Department of the Treasury  
Internal Revenue Service

Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation.  
Go to [www.irs.gov/Form1120S](http://www.irs.gov/Form1120S) for instructions and the latest information.

For calendar year 2017 or tax year beginning

ending

<b>A</b> S election effective date 01/01/2014	<b>TYPE</b> <b>OR</b> <b>PRINT</b>	<b>Name</b> BETTER COST ENERGY LLC	<b>D</b> Employer identification number 46-0667314	
<b>B</b> Business activity code number (see instructions) 237130		<b>Number, street, and room or suite no. If a P.O. box, see instructions.</b> 12714 VEIRS MILL RD 204	<b>E</b> Date incorporated 07/12/2012	
<b>C</b> Check if Sch. M-3 attached <input type="checkbox"/>		<b>City or town</b> ROCKVILLE	<b>State</b> MD	<b>F</b> Total assets (see instructions) \$ 0
		<b>ZIP code</b> 20853		
		<b>Foreign country name</b>	<b>Foreign province/state/county</b>	<b>Foreign postal code</b>

**G** Is the corporation electing to be an S corporation beginning with this tax year? ☐ Yes ☒ No If "Yes," attach Form 2553 if not already filed

**H** Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change (4) ☐ Amended return (5) ☐ S election termination or revocation

**I** Enter the number of shareholders who were shareholders during any part of the tax year 2

**Caution:** Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

<b>Income</b>	<b>1a</b> Gross receipts or sales	<b>1a</b>	150,230	
	<b>b</b> Returns and allowances	<b>1b</b>		
	<b>c</b> Balance. Subtract line 1b from line 1a	<b>1c</b>		150,230
	<b>2</b> Cost of goods sold (attach Form 1125-A)	<b>2</b>		
	<b>3</b> Gross profit. Subtract line 2 from line 1c	<b>3</b>		150,230
	<b>4</b> Net gain (loss) from Form 4797, line 17 (attach Form 4797)	<b>4</b>		
<b>Deductions (see instructions for limitations)</b>	<b>5</b> Other income (loss) (see instructions—attach statement)	<b>5</b>		
	<b>6</b> Total income (loss). Add lines 3 through 5	<b>6</b>		150,230
	<b>7</b> Compensation of officers (see instructions—attach Form 1125-E)	<b>7</b>		
	<b>8</b> Salaries and wages (less employment credits)	<b>8</b>		
	<b>9</b> Repairs and maintenance	<b>9</b>		
	<b>10</b> Bad debts	<b>10</b>		
	<b>11</b> Rents	<b>11</b>		11,005
	<b>12</b> Taxes and licenses	<b>12</b>		
	<b>13</b> Interest	<b>13</b>		
	<b>14</b> Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	<b>14</b>		
	<b>15</b> Depletion (Do not deduct oil and gas depletion.)	<b>15</b>		
	<b>16</b> Advertising	<b>16</b>		
	<b>17</b> Pension, profit-sharing, etc., plans	<b>17</b>		
	<b>18</b> Employee benefit programs	<b>18</b>		
	<b>19</b> Other deductions (attach statement)	<b>19</b>		116,550
<b>20</b> Total deductions. Add lines 7 through 19	<b>20</b>		127,555	
<b>21</b> Ordinary business income (loss). Subtract line 20 from line 6	<b>21</b>		22,675	
<b>Tax and Payments</b>	<b>22a</b> Excess net passive income or LIFO recapture tax (see instructions)	<b>22a</b>		
	<b>b</b> Tax from Schedule D (Form 1120S)	<b>22b</b>		
	<b>c</b> Add lines 22a and 22b (see instructions for additional taxes)	<b>22c</b>		
	<b>23a</b> 2017 estimated tax payments and 2016 overpayment credited to 2017	<b>23a</b>		
	<b>b</b> Tax deposited with Form 7004	<b>23b</b>		
	<b>c</b> Credit for federal tax paid on fuels (attach Form 4136)	<b>23c</b>		
	<b>d</b> Add lines 23a through 23c	<b>23d</b>		
	<b>24</b> Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	<b>24</b>		
	<b>25</b> Amount owed. If line 23d is smaller than the total of lines 22c and 24, enter amount owed	<b>25</b>		
	<b>26</b> Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid	<b>26</b>		
<b>27</b> Enter amount from line 26 Credited to 2018 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	<b>27</b>			

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Sign Here

Signature of officer

Date

Title

Paid Preparer Use Only

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

ALBERT KWON

11/15/2018

P01254652

Firm's name J&amp;K ACCOUNTING PA

Firm's EIN 20-5505987

Firm's address 152 ROLLINS AVE 203

Phone no. 301-881-1229

City ROCKVILLE

State MD

ZIP code 20852

For Paperwork Reduction Act Notice, see separate instructions.

Form 1120S (2017)

BCA

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**Schedule K Shareholders' Pro Rata Share Items**

		Total amount
<b>Income (Loss)</b>	1 Ordinary business income (loss) (page 1, line 21)	1 22,675
	2 Net rental real estate income (loss) (attach Form 8825)	2
	3a Other gross rental income (loss)	3a
	b Expenses from other rental activities (attach statement)	3b
	c Other net rental income (loss). Subtract line 3b from line 3a	3c
	4 Interest income	4
	5 Dividends: a Ordinary dividends	5a
	b Qualified dividends	5b
	6 Royalties	6
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S))	7
<b>Income (Loss)</b>	8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S))	8a
	b Collectibles (28%) gain (loss)	8b
	c Unrecaptured section 1250 gain (attach statement)	8c
9 Net section 1231 gain (loss) (attach Form 4797)	9	
10 Other income (loss) (see instructions) Type ▶	10	
<b>Deductions</b>	11 Section 179 deduction (attach Form 4562)	11
	12a Charitable contributions	12a
	b Investment interest expense	12b
	c Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶	12c(2)
d Other deductions (see instructions) Type ▶	12d	
<b>Credits</b>	13a Low-income housing credit (section 42(j)(5))	13a
	b Low-income housing credit (other)	13b
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable)	13c
	d Other rental real estate credits (see instructions) Type ▶	13d
	e Other rental credits (see instructions) Type ▶	13e
	f Biofuel producer credit (attach Form 6478)	13f
	g Other credits (see instructions) Type ▶	13g
<b>Foreign Transactions</b>	14a Name of country or U.S. possession ▶	14a
	b Gross income from all sources	14b
	c Gross income sourced at shareholder level	14c
	Foreign gross income sourced at corporate level	
	d Passive category	14d
	e General category	14e
	f Other (attach statement)	14f
	Deductions allocated and apportioned at shareholder level	
	g Interest expense	14g
	h Other	14h
	Deductions allocated and apportioned at corporate level to foreign source income	
	i Passive category	14i
	j General category	14j
	k Other (attach statement)	14k
Other information		
l Total foreign taxes (check one): ▶ <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	14l	
m Reduction in taxes available for credit (attach statement)	14m	
n Other foreign tax information (attach statement)		
<b>Alternative Minimum Tax (AMT) Items</b>	15a Post-1986 depreciation adjustment	15a
	b Adjusted gain or loss	15b
	c Depletion (other than oil and gas)	15c
	d Oil, gas, and geothermal properties—gross income	15d
	e Oil, gas, and geothermal properties—deductions	15e
	f Other AMT items (attach statement)	15f
<b>Items Affecting Shareholder Basis</b>	16a Tax-exempt interest income	16a
	b Other tax-exempt income	16b
	c Nondeductible expenses	16c 1,032
	d Distributions (attach statement if required) (see instructions)	16d
	e Repayment of loans from shareholders	16e

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Schedule K		Shareholders' Pro Rata Share Items (continued)	Total amount	
Other Information	17a	Investment income . . . . .	17a	
	b	Investment expenses . . . . .	17b	
	c	Dividend distributions paid from accumulated earnings and profits . . . . .	17c	
	d	Other items and amounts (attach statement)		
Reconciliation	18	Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14f .	18	22,675

Schedule L		Balance Sheets per Books		Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)		
<b>Assets</b>							
1	Cash . . . . .						
2a	Trade notes and accounts receivable . . . . .						
b	Less allowance for bad debts . . . . .						
3	Inventories . . . . .						
4	U.S. government obligations . . . . .						
5	Tax-exempt securities (see instructions) . . . . .						
6	Other current assets (attach statement) . . . . .						
7	Loans to shareholders . . . . .						
8	Mortgage and real estate loans . . . . .						
9	Other investments (attach statement) . . . . .						
10a	Buildings and other depreciable assets . . . . .						
b	Less accumulated depreciation . . . . .						
11a	Depletable assets . . . . .						
b	Less accumulated depletion . . . . .						
12	Land (net of any amortization) . . . . .						
13a	Intangible assets (amortizable only) . . . . .						
b	Less accumulated amortization . . . . .						
14	Other assets (attach statement) . . . . .						
15	Total assets . . . . .						
<b>Liabilities and Shareholders' Equity</b>							
16	Accounts payable . . . . .						
17	Mortgages, notes, bonds payable in less than 1 year . . . . .						
18	Other current liabilities (attach statement) . . . . .						
19	Loans from shareholders . . . . .						
20	Mortgages, notes, bonds payable in 1 year or more . . . . .						
21	Other liabilities (attach statement) . . . . .						
22	Capital stock . . . . .						
23	Additional paid-in capital . . . . .						
24	Retained earnings . . . . .						
25	Adjustments to shareholders' equity (attach statement) . . . . .						
26	Less cost of treasury stock . . . . .						
27	Total liabilities and shareholders' equity . . . . .						

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return**

Note: The corporation may be required to file Schedule M-3 (see instructions)

1	Net income (loss) per books		5	Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2	Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):		a	Tax-exempt interest \$	
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 14i (itemize):		6	Deductions included on Schedule K, lines 1 through 12 and 14i, not charged against book income this year (itemize):	
a	Depreciation \$		a	Depreciation \$	
b	Travel and entertainment \$		7	Add lines 5 and 6	
4	Add lines 1 through 3		8	Income (loss) (Schedule K, line 18), Line 4 less line 7	

**Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)**

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1	Balance at beginning of tax year	77,589	
2	Ordinary income from page 1, line 21	22,675	
3	Other additions		
4	Loss from page 1, line 21		
5	Other reductions	1,032	
6	Combine lines 1 through 5	99,232	
7	Distributions other than dividend distributions		
8	Balance at end of tax year. Subtract line 7 from line 6	99,232	

**Schedule K-1  
(Form 1120S)**

Department of the Treasury  
Internal Revenue Service

**2017**

For calendar year 2017, or tax year

beginning 01/01/2017 ending 12/31/2017

**Shareholder's Share of Income, Deductions,  
Credits, etc.**

▶ See back of form and separate instructions.

**Part I Information About the Corporation**

**A** Corporation's employer identification number  
46-0667314

**B** Corporation's name, address, city, state, and ZIP code  
  
BETTER COST ENERGY LLC  
  
12714 VEIRS MILL RD 204  
ROCKVILLE MD 20853

**C** IRS Center where corporation filed return  
e-file

**Part II Information About the Shareholder**

**D** Shareholder's identifying number  
[REDACTED]

**E** Shareholder's name, address, city, state, and ZIP code  
  
JEFFERY COUNCIL  
  
6 MCKAY CIRCLE  
CABIN JOHN MD 20818

**F** Shareholder's percentage of stock  
ownership for tax year. . . . . 50.000

For IRS Use Only

☐ Final K-1

☐ Amended K-1

671117  
OMB No. 1545-0123

**Part III Shareholder's Share of Current Year Income,  
Deductions, Credits, and Other Items**

<b>1</b>	Ordinary business income (loss)	<b>13</b>	Credits
	11,338		
<b>2</b>	Net rental real estate income (loss)		
<b>3</b>	Other net rental income (loss)		
<b>4</b>	Interest income		
<b>5a</b>	Ordinary dividends		
<b>5b</b>	Qualified dividends	<b>14</b>	Foreign transactions
<b>6</b>	Royalties		
<b>7</b>	Net short-term capital gain (loss)		
<b>8a</b>	Net long-term capital gain (loss)		
<b>8b</b>	Collectibles (28%) gain (loss)		
<b>8c</b>	Unrecaptured section 1250 gain		
<b>9</b>	Net section 1231 gain (loss)		
<b>10</b>	Other income (loss)	<b>15</b>	Alternative minimum tax (AMT) items
<b>11</b>	Section 179 deduction	<b>16</b>	Items affecting shareholder basis
		C	516
<b>12</b>	Other deductions		
		<b>17</b>	Other information

\* See attached statement for additional information.

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**Schedule K-1  
(Form 1120S)**

Department of the Treasury  
Internal Revenue Service

**2017**

For calendar year 2017, or tax year

beginning 01/01/2017 ending 12/31/2017

**Shareholder's Share of Income, Deductions,  
Credits, etc.**

▶ See back of form and separate instructions.

**Part I Information About the Corporation**

**A** Corporation's employer identification number  
46-0667314

**B** Corporation's name, address, city, state, and ZIP code  
  
BETTER COST ENERGY LLC  
  
12714 VEIRS MILL RD 204  
ROCKVILLE MD 20853

**C** IRS Center where corporation filed return  
e-file

**Part II Information About the Shareholder**

**D** Shareholder's identifying number  
[REDACTED]

**E** Shareholder's name, address, city, state, and ZIP code  
  
PETER LEITER  
  
12714 VEIRS MILL RD 204  
ROCKVILLE MD 20853

**F** Shareholder's percentage of stock  
ownership for tax year. . . . . 50.000

For IRS Use Only

☐ Final K-1

☐ Amended K-1

671117  
OMB No. 1545-0123

**Part III Shareholder's Share of Current Year Income,  
Deductions, Credits, and Other Items**

<b>1</b>	Ordinary business income (loss)	<b>13</b>	Credits
	11,338		
<b>2</b>	Net rental real estate income (loss)		
<b>3</b>	Other net rental income (loss)		
<b>4</b>	Interest income		
<b>5a</b>	Ordinary dividends		
<b>5b</b>	Qualified dividends	<b>14</b>	Foreign transactions
<b>6</b>	Royalties		
<b>7</b>	Net short-term capital gain (loss)		
<b>8a</b>	Net long-term capital gain (loss)		
<b>8b</b>	Collectibles (28%) gain (loss)		
<b>8c</b>	Unrecaptured section 1250 gain		
<b>9</b>	Net section 1231 gain (loss)		
<b>10</b>	Other income (loss)	<b>15</b>	Alternative minimum tax (AMT) items
<b>11</b>	Section 179 deduction	<b>16</b>	Items affecting shareholder basis
		C	516
<b>12</b>	Other deductions		
		<b>17</b>	Other information

\* See attached statement for additional information.

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MARYLAND  
FORM  
**510**

PASS-THROUGH ENTITY  
INCOME TAX RETURN



2017

OR FISCAL YEAR BEGINNING \_\_\_\_\_ 2017, ENDING \_\_\_\_\_

460667314

► Federal Employer Identification Number (9 digits) FEIN Applied for Date (MMDDYY)

071212

237130

► Date of Organization or Incorporation (MMDDYY) ► Business Activity Code No. (6 digits)

BETTER COST ENERGY LLC

Name

12714 VEIRS MILL RD 204

Current Mailing Address Line 1 (Street No. and Street Name or PO Box)

Current Mailing Address Line 2 (Apt No., Suite No., Floor No.)

ROCKVILLE

MD

20853

City or town

State

ZIP Code

+4

Do not write in this space.

► ME

► YE

TYPE OF ENTITY - Check the applicable box. ►



S Corporation



Partnership



Limited Liability Company



Business Trust

Amended  
Return

CHECK HERE - Check applicable box(es).



Name or address has changed



First filing of the entity



Inactive entity



Final Return



► This tax year's beginning and ending dates are different from last year's due to an acquisition or consolidation.

1. Number of members:

a. Individual (including fiduciary) residents of Maryland ► 2

c. Nonresident entities ►

b. Individual (including fiduciary) nonresidents ►

d. Others ►

e. Total 2

2. Total distributive or pro rata share of income per federal return (Form 1065 or 1120S) - Unistate

entities or multistate entities with no nonresident members also enter this amount on line 4. ► 2.

22675.

ALLOCATION OF INCOME

(To be completed by multistate pass-through entities with nonresident members - unistate entities, and multistate entities with no nonresidents, go to line 4.)

3a. Non-Maryland income (for entities using separate accounting).

Subtract this amount from line 2 and enter the difference on line 4. ► 3a.

3b. Maryland apportionment factor from computation worksheet on Page 3 (for entities using the apportionment method). Multiply line 2 by this factor and enter the result on line 4 (If factor is zero, enter 000001.) ► 3b.

4. Distributive or pro rata share of income allocable to Maryland 4.

22675.

NOTE: Complete lines 5 through 19 only if there is an entry on line 1b or line 1c. Tax is calculated only for nonresident individual or nonresident entity members. (Investment partnerships see Specific Instructions.)

5. Percentage of ownership by individual nonresident members shown on line 1b

(or profit/loss percentage, if applicable). If 100%, leave blank and enter the amount from line 4 on line 6. ► 5.

6. Distributive or pro rata share of income for nonresident individual members

(Multiply line 4 by the percentage on line 5.) 6.

7. Nonresident individual tax (Multiply line 6 by 5.75%.) 7.

8. Special nonresident tax (Multiply line 6 by 1.75%.) 8.

9. Total Maryland tax on individual members (Add lines 7 and 8.) 9.

10. Percentage of ownership by nonresident entities shown on line 1c (or profit/loss percentage, if applicable)

If 100%, leave blank and enter the amount from line 4 on line 11. ► 10.

11. Distributive or pro rata share of income for nonresident entity members

(Multiply line 4 by percentage on line 10.) 11.

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NAME BETTER COST E FEIN 460667314

12.	Nonresident entity tax (Multiply line 11 by 8.25%.)	12.	_____
13.	Total nonresident tax (Add lines 9 and 12.)	13.	_____
14.	Distributable cash flow limitation from worksheet. See instructions. If worksheet used, check here <input type="checkbox"/>	14.	_____
15.	Nonresident tax due (Enter the lesser of line 13 or line 14.)	15.	_____
16 a.	Estimated pass-through entity nonresident tax paid with Form 510D and MW506NRS	16a.	_____
16 b.	Pass-through entity nonresident tax paid with an extension request (Form 510E)	16b.	_____
16 c.	Credit for nonresident tax paid on behalf of the pass-through entity by another pass-through entity (Attach Maryland Schedule K-1 (510).)	16c.	_____
16 d.	Total payments and credits (Add lines 16a through 16c.)	16d.	_____
17.	Balance of tax due (If line 15 exceeds line 16d, enter the difference.)	17.	_____
18.	Interest and/or penalty from Form 500UP _____ or late payment interest	18.	_____
	<b>Total</b>	18.	_____
19.	Total balance due. (Add lines 17 and 18.) Pay in full with this return	19.	_____

NOTE: The total tax paid from lines 16d and 17 is to be reported either on the composite return or on the returns of the nonresident members. Nonresident entity and fiduciary members cannot file a composite return nor be included in the composite return filed by nonresident individual members. (See instructions.)

Complete line 20 only if there are no nonresident members. (Lines 1b and 1c are both zero.)

20. Amount TO BE REFUNDED (Enter the amount from line 16d if the amount on line 13 is zero.) 20. \_\_\_\_\_

**ADDITIONAL INFORMATION REQUIRED**

1. Address of principal place of business in Maryland (if other than indicated on page 1): \_\_\_\_\_

2. Address at which tax records are located (if other than indicated on page 1): \_\_\_\_\_

3. Telephone number of pass-through entity tax department: 3018811229

4. State of organization or incorporation MD

5. Has the Internal Revenue Service made adjustments (for a tax year in which a Maryland return was required) that were not previously reported to the Maryland Revenue Administration Division? ☐ Yes ☒ No  
If "yes", indicate tax year(s) here: \_\_\_\_\_ and submit an amended return(s) together with a copy of the IRS adjustment report(s) under separate cover.

6. Did the pass-through entity file employer withholding tax returns/forms with the Maryland Revenue Administration Division for the last calendar year? ☐ Yes ☒ No

7. Is this entity a multistate corporation that is a member of a unitary group? ☐ Yes ☒ No

8. Is this entity a multistate manufacturing corporation with more than 25 employees? ☐ Yes ☒ No

**SIGNATURE AND VERIFICATION**

Check here ☐ if you authorize your preparer to discuss this return with us.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements and to the best of my knowledge and belief it is true, correct and complete. If prepared by a person other than taxpayer, the declaration is based on all information of which the preparer has any knowledge.

Signature of general partner, officer or member \_\_\_\_\_ Date 031518  
PRESIDENT  
Title

Preparer's Name ALBERT KWON Preparer's Signature \_\_\_\_\_  
152 ROLLINS AVE 203  
Preparer's address and telephone number 3018811229  
ROCKVILLE MD 20852

**Make checks payable to and mail to:**

Comptroller Of Maryland  
Revenue Administration Division  
110 Carroll Street  
Annapolis, Maryland 21411-0001

(Write Your Federal Employer Identification Number On Check  
Using Blue Or Black Ink.)

► P01254652  
Preparer's PTIN (required by law)

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**MARYLAND  
FORM  
510**

**PASS-THROUGH ENTITY  
INCOME TAX RETURN  
MEMBERS' INFORMATION**



**2017**

**SCHEDULE B**

NAME BETTER COST ENER FEIN FEIN [REDACTED]

**PART I - INDIVIDUAL MEMBERS' INFORMATION**

Enter the information in Social Security Number order.

	Social Security Number and name of member	Address	Check here if Maryland:		Distributive or pro rata share of income (See Instructions.)	Distributive or pro rata share of tax paid (See Instructions.)	Distributive or pro rata share of tax credit (See Instructions.)
			Resident	Non-Resident			
1	[REDACTED] JEFFERY COUNCIL	6 MCKAY CIRCLE CABIN JOHN MD 2	X		11338		<p>You must file Maryland Form 510 electronically to pass on business tax credits from Maryland Form 500CR and/ or Maryland Form 502S to your members.</p>
2	[REDACTED] PETER LEITER	12714 VEIRS MILL RD ROCKVILLE MD 20	X		11338		
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
SUBTOTAL from additional Form 510 Schedule B for individual members							
TOTAL:							

MARYLAND  
FORM  
**EL101B**

**DO NOT MAIL**  
**INCOME TAX DECLARATION**  
**FOR BUSINESSES**  
**ELECTRONIC FILING**



2017

OR FISCAL YEAR BEGINNING \_\_\_\_\_ 2017, ENDING \_\_\_\_\_

BETTER COST ENERGY LLC

Name of corporation or pass-through entity

Federal Employer Identification Number

12714 VEIRS MILL RD 204

ROCKVILLE

MD

20853

Street Address

City or town

State

ZIP Code

+4

**PART I Tax Return Information (whole dollars only)**

1.	Amount of overpayment to be applied to 2018 estimated tax (Corporations only.)	1.	_____	.00
2.	Amount of overpayment to be refunded (Corporations only.)	2.	_____	.00
3.	Total amount due	3.	_____	.00

REFUND

**PART II Declaration and Signature Authorization**

Check appropriate box to consent to:

☐ Direct Deposit of refund or

☐ Electronic Funds Withdrawal (direct debit)

4a. Type of account:

☐ Checking

☐ Savings

4b. Routing Number (9-digits): \_\_\_\_\_

4c. Account number: \_\_\_\_\_

4d. Direct debit settlement date (Enter the date (MMDDYY) you want the payment withdrawn from the account.) \_\_\_\_\_

4d.

4e. Direct debit amount \_\_\_\_\_

4e.

☐ I consent that the corporation's refund be directly deposited as designated above and declare that the information shown is correct. By consenting, I also agree to disclose to the Maryland State Treasurer's Office certain income tax information including name, amount of refund and the above bank information. This disclosure is necessary to effect direct deposit.

☐ I authorize the State of Maryland and its designated financial agent to initiate an electronic funds withdrawal payment entry to the financial institution account indicated for payment of the Maryland taxes owed by the corporation or pass-through entity and the financial institution to debit the entry to this account. Upon confirmation of consent during the filing of the corporation or pass-through entity state return, this authorization is to remain in full force and effect, and I may not terminate the authorization. I also authorize the financial institutions involved in the processing of this electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.

☐ I do not want direct deposit of the refund or an electronic funds withdrawal (direct debit) of the balance due.

Under penalties of perjury, I declare that I am an officer, general partner or managing member of the above corporation or of the pass-through entity. I have compared the information contained on my electronic return with the information that I provided to my electronic return originator or entered on-line and that the name(s), address and amounts described above agree with the amounts shown on the corresponding lines of my 2017 Maryland electronic income tax return. To the best of my knowledge and belief, the return is true, correct and complete. I consent that the return, including accompanying schedules and statements, be sent to the Maryland Revenue Administration Division by my electronic return originator or by the electronic return software provider.

Sign  
Here

Corporate officer, general partner or managing member's signature

Title

Date

Wait ten (10) days after the receipt of a valid acknowledgement before calling 1-800-638-2937 or from Central Maryland 410-260-7980, about the refund.

**PART III Declaration of Electronic Return Originator (paid preparer)**

I declare that I have reviewed the return of the corporation or pass-through entity and that the entries on this form are complete and correct to the best of my knowledge. I have obtained the signature of the corporate officer, general partner or managing member, before submitting the return to the Maryland Revenue Administration Division, have provided that official with a copy of all forms and information to be filed with the Maryland Revenue Administration Division, and have followed all other requirements described in the Maryland Business E-File Handbook. This declaration is to be retained at the site of the electronic return originator.

Electronic  
Return

Originator  
Use Only

Originator's Signature

Date

270552

EFIN

111518

J&K ACCOUNTING PA

Firm's name (or yours if self-employed)

152 ROLLINS AVE 203

Address

ZIP Code

ROCKVILLE MD

20852

Telephone Number

3018811229

COM/RAD-060

**DO NOT MAIL**

10/17/2017

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**MARYLAND  
SCHEDULE K-1  
(510)**

**PASS-THROUGH ENTITY  
MEMBER'S INFORMATION**



**2017**

OR FISCAL YEAR BEGINNING \_\_\_\_\_ 2017, ENDING \_\_\_\_\_

**INFORMATION ABOUT THE PASS-THROUGH ENTITY (PTE)**

**BETTER COST ENERGY LLC** [REDACTED]  
PTE Name PTE FEIN  
**12714 VEIRS MILL RD 204** **ROCKVILLE** **MD** **20853**  
Street Address City State ZIP Code +4

**INFORMATION ABOUT THE MEMBER**

**1** **JEFFERY COUNCIL** [REDACTED]  
Member Number Member Name Member's SSN/FEIN  
**6 MCKAY CIRCLE** **CABIN JOHN** **MD** **20818**  
Street Address City State ZIP Code +4

Resident? ☒ Yes ☐ No

Distributive or Pro Rata Share Percentage **50.000 %**

**A. Member's Income**

- |  |    |              |
|--|----|--------------|
| 1. Distributive or pro rata share of income from federal Schedule K-1.....       | 1. | <b>11338</b> |
| 2. Distributive or pro rata share allocable to Maryland (Nonresidents only)..... | 2. |              |

**B. Additions**

- |  |    |  |
|--|----|--|
| 1. Non-Maryland municipal interest and dividends.....                            | 1. |  |
| 2. Tax preference items.....   | 2. |  |
| 3. Net decoupling modification.....  | 3. |  |
| 4. Net decoupling modification from another PTE.....                             | 4. |  |
| 5. Other additions (Specify additions with amounts in part F of this form.)..... | 5. |  |

**C. Subtractions**

- |  |    |  |
|--|----|--|
| 1. Income from U.S. obligations.....   | 1. |  |
| 2. Work opportunity credit salary expense.....   | 2. |  |
| 3. Net decoupling modification.....  | 3. |  |
| 4. Net decoupling modification from another PTE.....                                   | 4. |  |
| 5. Other subtractions (Specify subtractions with amounts in part F of this form.)..... | 5. |  |

**D. Nonresident Tax - Enter the member's distributive or pro rata share**

- |  |    |  |
|--|----|--|
| 1. Nonresident tax paid by this PTE.....   | 1. |  |
| 2. Nonresident tax paid by other PTEs on behalf of this entity.....  | 2. |  |
| 3. Total (Add lines 1 and 2. Members: Include this amount on Form 500, line 15f; Form 502CR, Part M, line 5; Form 504, line 29; Form 505, line 45; Form 510, line 16c.)..... | 3. |  |

**E. Credits (\*\*Required documentation or certification must be attached.)**

**Nonrefundable Credits**

- |  |     |  |
|--|-----|--|
| 1. Enterprise Zone Tax Credit***.....  | 1.  |  |
| 2. Maryland Disability Employment Tax Credit.....                                  | 2.  |  |
| 3. Job Creation Tax Credit***.....   | 3.  |  |
| 4. Community Investment Tax Credit***.....   | 4.  |  |
| 5. Businesses that Create New Jobs Tax Credit.....                                 | 5.  |  |
| 6. Qualified Vehicle Tax Credit***.....  | 6.  |  |
| 7. Employer-Provided Long-Term Insurance Tax Credit.....                           | 7.  |  |
| 8. Security Clearance Cost Tax Credit***.....                                      | 8.  |  |
| 9. Small Businesses First-Year Leasing Security Clearance Costs Tax Credit***..... | 9.  |  |
| 10. Research and Development Tax Credit***.....                                    | 10. |  |
| 11. Commuter Tax Credit.....   | 11. |  |
| 12. Maryland-Mined Coal Tax Credit***.....   | 12. |  |

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NAME BETTER COST ENERGY FEIN 460667314

- |  |  |      |       |
|--|--|------|-------|
| 13.  | Oyster Shell Recycling Tax Credit***   | 13.  | _____ |
| 14.  | Bio-Heating Oil Tax Credit***  | 14.  | _____ |
| 15.  | Cellulosic Ethanol Technology Research & Development Tax Credit***   | 15.  | _____ |
| 16.  | Wineries and Vineyards Tax Credit***   | 16.  | _____ |
| 17.  | Endow Maryland Tax Credit***   | 17.  | _____ |
| 18.  | Preservation and Conservation Easements Tax Credit***  | 18.  | _____ |
| 19.  | Apprentice Employee Tax Credit***  | 19.  | _____ |
| 20.  | Qualified Farms Tax Credit**   | 20.  | _____ |
| 21.  | Qualified Veteran Employees Tax Credit***  | 21.  | _____ |
| <b>Refundable Credits</b>  |  |      |       |
| 22.  | Cybersecurity Investment Incentive Tax Credit***   | 22.  | _____ |
| 23.  | Film Production Activity Tax Credit***   | 23.  | _____ |
| 24.  | Biotechnology Investment Incentive Tax Credit***   | 24.  | _____ |
| 25.  | Clean Energy Incentive Tax Credit***   | 25.  | _____ |
| 26.  | Health Enterprise Zone Hiring Tax Credit***  | 26.  | _____ |
| 27.  | Small Business Research & Development Tax Credit***  | 27.  | _____ |
| 28.  | Heritage Structure Rehabilitation Tax Credit***  | 28.  | _____ |
| 29.  | Aerospace, Electronics, or Defense Contracts Tax Credit***   | 29.  | _____ |
| <b>One Maryland Economic Development Tax Credit***</b>                     |  |      |       |
| <input type="checkbox"/> Refundable <input type="checkbox"/> Nonrefundable |  |      |       |
| 30a.   | Total number of "qualified employees"  | 30a. | _____ |
| 30b.   | If the amount on line 30a is less than 25, has the PTE maintained at least 25 qualified employees for at least 5 years? <input type="checkbox"/> Yes <input type="checkbox"/> No |      |       |
| 31.  | Tax year in which the project was put into service   | 31.  | _____ |
| Enter Member's Distributive or Pro Rata share of the Following:            |  |      |       |
| 32.  | Portion of PTE's income attributable to project.   | 32.  | _____ |
| 33.  | Non-project taxable income from PTE.   | 33.  | _____ |
| 34.  | Number of "qualified employees" multiplied by \$10,000.  | 34.  | _____ |
| 35.  | Amount of Maryland income tax required to be withheld from employees reported on line 30a of this form.  | 35.  | _____ |
| 36.  | Total eligible cumulative project costs (\$500,000 PTE minimum, \$5,000,000 PTE maximum).  | 36.  | _____ |
| 37.  | Total cumulative eligible start-up costs (\$500,000 PTE maximum).  | 37.  | _____ |

**F. Additional Information**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

MARYLAND  
SCHEDULE K-1  
(510)

PASS-THROUGH ENTITY  
MEMBER'S INFORMATION



2017

OR FISCAL YEAR BEGINNING \_\_\_\_\_ 2017, ENDING \_\_\_\_\_

INFORMATION ABOUT THE PASS-THROUGH ENTITY (PTE)

BETTER COST ENERGY LLC		[REDACTED]	
PTE Name		PTE FEIN	
12714 VEIRS MILL RD 204	ROCKVILLE	MD	20853
Street Address	City	State	ZIP Code + 4

INFORMATION ABOUT THE MEMBER

2	PETER LEITER	[REDACTED]	
Member Number	Member Name	Member's SSN/FEIN	
12714 VEIRS MILL RD 204	ROCKVILLE	MD	20853
Street Address	City	State	ZIP Code + 4
Resident? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Distributive or Pro Rata Share Percentage 50.000 %		

A. Member's Income

- |   |    |        |
|---|----|--------|
| 1. Distributive or pro rata share of income from federal Schedule K-1 . . . . .       | 1. | 11338. |
| 2. Distributive or pro rata share allocable to Maryland (Nonresidents only) . . . . . | 2. |        |

B. Additions

- |   |    |  |
|---|----|--|
| 1. Non-Maryland municipal interest and dividends . . . . .                            | 1. |  |
| 2. Tax preference items . . . . .   | 2. |  |
| 3. Net decoupling modification . . . . .  | 3. |  |
| 4. Net decoupling modification from another PTE . . . . .                             | 4. |  |
| 5. Other additions (Specify additions with amounts in part F of this form.) . . . . . | 5. |  |

C. Subtractions

- |   |    |  |
|---|----|--|
| 1. Income from U.S. obligations . . . . .   | 1. |  |
| 2. Work opportunity credit salary expense . . . . .   | 2. |  |
| 3. Net decoupling modification . . . . .  | 3. |  |
| 4. Net decoupling modification from another PTE . . . . .                                   | 4. |  |
| 5. Other subtractions (Specify subtractions with amounts in part F of this form.) . . . . . | 5. |  |

D. Nonresident Tax - Enter the member's distributive or pro rata share

- |   |    |  |
|---|----|--|
| 1. Nonresident tax paid by this PTE . . . . .   | 1. |  |
| 2. Nonresident tax paid by other PTEs on behalf of this entity . . . . .  | 2. |  |
| 3. Total (Add lines 1 and 2. Members: Include this amount on Form 500, line 15f; Form 502CR, Part M, line 5; Form 504, line 29; Form 505, line 45; Form 510, line 16c.) . . . . . | 3. |  |

E. Credits (\*\*Required documentation or certification must be attached.)

Nonrefundable Credits

- |   |     |  |
|---|-----|--|
| 1. Enterprise Zone Tax Credit*** . . . . .  | 1.  |  |
| 2. Maryland Disability Employment Tax Credit . . . . .                                  | 2.  |  |
| 3. Job Creation Tax Credit*** . . . . .   | 3.  |  |
| 4. Community Investment Tax Credit*** . . . . .   | 4.  |  |
| 5. Businesses that Create New Jobs Tax Credit . . . . .                                 | 5.  |  |
| 6. Qualified Vehicle Tax Credit*** . . . . .  | 6.  |  |
| 7. Employer-Provided Long-Term Insurance Tax Credit . . . . .                           | 7.  |  |
| 8. Security Clearance Cost Tax Credit*** . . . . .                                      | 8.  |  |
| 9. Small Businesses First-Year Leasing Security Clearance Costs Tax Credit*** . . . . . | 9.  |  |
| 10. Research and Development Tax Credit*** . . . . .                                    | 10. |  |
| 11. Commuter Tax Credit . . . . .   | 11. |  |
| 12. Maryland-Mined Coal Tax Credit*** . . . . .   | 12. |  |

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MARYLAND  
SCHEDULE K-1  
(510)

PASS-THROUGH ENTITY  
MEMBER'S INFORMATION



2017  
page 2

NAME BETTER COST ENERGY FEIN 460667314

- |  |     |       |
|--|-----|-------|
| 13. Oyster Shell Recycling Tax Credit***                               | 13. | _____ |
| 14. Bio-Heating Oil Tax Credit***                                      | 14. | _____ |
| 15. Cellulosic Ethanol Technology Research & Development Tax Credit*** | 15. | _____ |
| 16. Wineries and Vineyards Tax Credit***                               | 16. | _____ |
| 17. Endow Maryland Tax Credit***                                       | 17. | _____ |
| 18. Preservation and Conservation Easements Tax Credit***              | 18. | _____ |
| 19. Apprentice Employee Tax Credit***                                  | 19. | _____ |
| 20. Qualified Farms Tax Credit**                                       | 20. | _____ |
| 21. Qualified Veteran Employees Tax Credit***                          | 21. | _____ |

Refundable Credits

- |  |     |       |
|--|-----|-------|
| 22. Cybersecurity Investment Incentive Tax Credit***           | 22. | _____ |
| 23. Film Production Activity Tax Credit***                     | 23. | _____ |
| 24. Biotechnology Investment Incentive Tax Credit***           | 24. | _____ |
| 25. Clean Energy Incentive Tax Credit***                       | 25. | _____ |
| 26. Health Enterprise Zone Hiring Tax Credit***                | 26. | _____ |
| 27. Small Business Research & Development Tax Credit***        | 27. | _____ |
| 28. Heritage Structure Rehabilitation Tax Credit***            | 28. | _____ |
| 29. Aerospace, Electronics, or Defense Contracts Tax Credit*** | 29. | _____ |

One Maryland Economic Development Tax Credit\*\*\*

☐ Refundable ☐ Nonrefundable

- |   |      |       |
|---|------|-------|
| 30a. Total number of "qualified employees"  | 30a. | _____ |
| 30b. If the amount on line 30a is less than 25, has the PTE maintained at least 25 qualified employees for at least 5 years? <input type="checkbox"/> Yes <input type="checkbox"/> No |      |       |
| 31. Tax year in which the project was put into service  | 31.  | _____ |
| Enter Member's Distributive or Pro Rata share of the Following:   |      |       |
| 32. Portion of PTE's income attributable to project   | 32.  | _____ |
| 33. Non-project taxable income from PTE   | 33.  | _____ |
| 34. Number of "qualified employees" multiplied by \$10,000  | 34.  | _____ |
| 35. Amount of Maryland income tax required to be withheld from employees reported on line 30a of this form  | 35.  | _____ |
| 36. Total eligible cumulative project costs (\$500,000 PTE minimum, \$5,000,000 PTE maximum)  | 36.  | _____ |
| 37. Total cumulative eligible start-up costs (\$500,000 PTE maximum)  | 37.  | _____ |

F. Additional Information

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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**2018****Better Cost Energy LLC**

Federal

Tax

Your Refund is \$ 0

Your Balance due is \_\_\_\_\_

Make check payable to : **United States Treasury**

State Tax Your Refund is \$ 0

Your Balance due is \_\_\_\_\_

Make check payable to: **Comptroller of Maryland**

Before you mail the enclosed copies of your income tax returns, we want to remind you:

1. Check Social Security number and address.
2. Sign and date all your returns (If joint return, both spouses must sign).
3. Enclosed your payment. Print your EIN number on each check.
4. Place your copy in safe place keeping for Seven (7) years.

Form **1120S**Department of the Treasury  
Internal Revenue Service**U.S. Income Tax Return for an S Corporation**

▶ Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation.  
▶ Go to [www.irs.gov/Form1120S](http://www.irs.gov/Form1120S) for instructions and the latest information.

OMB No. 1545-0123

**2018**

For calendar year 2018 or tax year beginning

, ending

A S election effective date

01/01/2014

B Business activity code number (see instructions)

237130

TYPE  
OR  
PRINT

Name

BETTER COST ENERGY LLC

Number, street, and room or suite no. If a P.O. box, see instructions.

12714 VEIRS MILL RD 104

City or town

ROCKVILLE

State

MD

ZIP code

20853

Foreign country name

Foreign province/state/county

Foreign postal code

D Employer identification number

46-0667314

E Date incorporated

07/12/2012

F Total assets (see instructions)

s

0

G Is the corporation electing to be an S corporation beginning with this tax year?

☐ Yes☒ No

If "Yes," attach Form 2553 if not already filed

H Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change (4) ☐ Amended return (5) ☐ S election termination or revocation

I Enter the number of shareholders who were shareholders during any part of the tax year

2

Caution: Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Income	1a	Gross receipts or sales	1a	89,282	
	b	Returns and allowances	1b		
	c	Balance. Subtract line 1b from line 1a	1c		89,282
	2	Cost of goods sold (attach Form 1125-A)	2		
	3	Gross profit. Subtract line 2 from line 1c	3		89,282
	4	Net gain (loss) from Form 4797, line 17 (attach Form 4797)	4		
Deductions (see instructions for limitations)	5	Other income (loss) (see instructions—attach statement)	5		
	6	Total income (loss). Add lines 3 through 5	6		89,282
	7	Compensation of officers (see instructions—attach Form 1125-E)	7		
	8	Salaries and wages (less employment credits)	8		
	9	Repairs and maintenance	9		
	10	Bad debts	10		
	11	Rents	11		4,800
	12	Taxes and licenses	12		
	13	Interest (see instructions)	13		
	14	Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	14		
	15	Depletion (Do not deduct oil and gas depletion.)	15		
	16	Advertising	16		
	17	Pension, profit-sharing, etc., plans	17		
	18	Employee benefit programs	18		
	19	Other deductions (attach statement)	19		64,767
20	Total deductions. Add lines 7 through 19	20		69,567	
21	Ordinary business income (loss). Subtract line 20 from line 6	21		19,715	
Tax and Payments	22a	Excess net passive income or LIFO recapture tax (see instructions)	22a		
	b	Tax from Schedule D (Form 1120S)	22b		
	c	Add lines 22a and 22b (see instructions for additional taxes)	22c		
	23a	2018 estimated tax payments and 2017 overpayment credited to 2018	23a		
	b	Tax deposited with Form 7004	23b		
	c	Credit for federal tax paid on fuels (attach Form 4136)	23c		
	d	Refundable credit from Form 8827, line 8c	23d		
	e	Add lines 23a through 23d	23e		
	24	Estimated tax penalty (see instructions). Check if Form 2220 is attached	24		
	25	Amount owed. If line 23e is smaller than the total of lines 22c and 24, enter amount owed	25		
	26	Overpayment. If line 23e is larger than the total of lines 22c and 24, enter amount overpaid	26		
27	Enter amount from line 26: Credited to 2019 estimated tax	27			

Sign  
Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Signature of officer

Date

Title

Paid  
Preparer  
Use Only

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

ALBERT KWON

*Albert Kwon*

06/12/2019

P01254652

Firm's name ▶ J&amp;K ACCOUNTIG PA

Firm's EIN ▶ 20-5505987

Firm's address ▶ 152 ROLLINS AVE 203

Phone no. 301-881-1229

City ROCKVILLE

State MD

ZIP code 20852

For Paperwork Reduction Act Notice, see separate instructions.

Form **1120S** (2018)

BCA

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**Schedule B Other Information** (see instructions)

- 1 Check accounting method: a ☒ Cash b ☐ Accrual  
c ☐ Other (specify) \_\_\_\_\_
- 2 See the instructions and enter the:  
a Business activity **ENERGY DISTRIBUTOR** b Product or service **SERVICE**
- 3 At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation
- 4 At the end of the tax year, did the corporation:  
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage of Stock Owned	(v) If Percentage in (iv) is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made
			0.000	
			0.000	
			0.000	
			0.000	

- b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital
				0.000
				0.000
				0.000
				0.000

- 5a At the end of the tax year, did the corporation have any outstanding shares of restricted stock? . . . . . X  
If "Yes," complete lines (i) and (ii) below.  
(i) Total shares of restricted stock . . . . .  
(ii) Total shares of non-restricted stock . . . . .
- b At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments? . . . . . X  
If "Yes," complete lines (i) and (ii) below.  
(i) Total shares of stock outstanding at the end of the tax year . . . . .  
(ii) Total shares of stock outstanding if all instruments were executed . . . . .
- 6 Has this corporation filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction? . . . . . X
- 7 Check this box if the corporation issued publicly offered debt instruments with original issue discount . . . . . ☐  
If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.
- 8 If the corporation (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see instructions) **\$** \_\_\_\_\_
- 9 Did the corporation have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions . . . . . X
- 10 Does the corporation satisfy one of the following conditions and the corporation doesn't own a pass-through entity with current year, or prior year carryover, excess business interest expense? See instructions . . . . . X  
a The corporation's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year don't exceed \$25 million, and the corporation isn't a tax shelter, or  
b The corporation only has business interest expense from (1) an electing real property trade or business, (2) an electing farming business, or (3) certain utility businesses under section 163(j)(7).  
If "No," complete and attach Form 8990.
- 11 Does the corporation satisfy both of the following conditions?  
a The corporation's total receipts (see instructions) for the tax year were less than \$250,000 . . . . .  
b The corporation's total assets at the end of the tax year were less than \$250,000 . . . . . X  
If "Yes," the corporation is not required to complete Schedules L and M-1.

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Schedule B Other Information (see instructions) (continued)		Yes	No
12	During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt? . . . . .		X
	If "Yes," enter the amount of principal reduction . . . . . \$		
13	During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions . . . . .		X
14a	Did the corporation make any payments in 2018 that would require it to file Form(s) 1099? . . . . .		X
b	If "Yes," did the corporation file or will it file required Forms 1099? . . . . .		
15	Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund? . . . . .		X
	If "Yes," enter the amount from Form 8996, line 13 . . . . . \$		

Schedule K Shareholders' Pro Rata Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 21) . . . . .	1	19,715
	2 Net rental real estate income (loss) (attach Form 8825) . . . . .	2	
	3a Other gross rental income (loss) . . . . . 3a		
	b Expenses from other rental activities (attach statement) . . . . . 3b		
	c Other net rental income (loss). Subtract line 3b from line 3a . . . . . 3c		
	4 Interest income . . . . . 4		
	5 Dividends: a Ordinary dividends . . . . . 5a		
	b Qualified dividends . . . . . 5b		
	6 Royalties . . . . . 6		
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S)) . . . . . 7		
Deductions	8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S)) . . . . . 8a		
	b Collectibles (28%) gain (loss) . . . . . 8b		
	c Unrecaptured section 1250 gain (attach statement) . . . . . 8c		
	9 Net section 1231 gain (loss) (attach Form 4797) . . . . . 9		
	10 Other income (loss) (see instructions) . . . . . Type ▶ 10		
	11 Section 179 deduction (attach Form 4562) . . . . . 11		
	12a Charitable contributions . . . . . 12a		
	b Investment interest expense . . . . . 12b		
	c Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶ 12c(2)		
	d Other deductions (see instructions) . . . . . Type ▶ 12d		
Credits	13a Low-income housing credit (section 42(j)(5)) . . . . . 13a		
	b Low-income housing credit (other) . . . . . 13b		
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable) . . . . . 13c		
	d Other rental real estate credits (see instructions) . . . . . Type ▶ 13d		
	e Other rental credits (see instructions) . . . . . Type ▶ 13e		
	f Biofuel producer credit (attach Form 6478) . . . . . 13f		
	g Other credits (see instructions) . . . . . Type ▶ 13g		
	Foreign Transactions	14a Name of country or U.S. possession ▶ . . . . . 14a	
b Gross income from all sources . . . . . 14b			
c Gross income sourced at shareholder level . . . . . 14c			
Foreign gross income sourced at corporate level . . . . .			
d Section 951A category . . . . . 14d			
e Foreign branch category . . . . . 14e			
f Passive category . . . . . 14f			
g General category . . . . . 14g			
h Other (attach statement) . . . . . 14h			
Deductions allocated and apportioned at shareholder level . . . . .			
i Interest expense . . . . . 14i			
j Other . . . . . 14j			
Deductions allocated and apportioned at corporate level to foreign source income . . . . .			
k Section 951A category . . . . . 14k			
l Foreign branch category . . . . . 14l			
m Passive category . . . . . 14m			
n General category . . . . . 14n			
o Other (attach statement) . . . . . 14o			
Other information . . . . .			
p Total foreign taxes (check one): ▶ <input type="checkbox"/> Paid <input type="checkbox"/> Accrued . . . . . 14p			
q Reduction in taxes available for credit (attach statement) . . . . . 14q			
r Other foreign tax information (attach statement) . . . . .			

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Schedule K		Shareholders' Pro Rata Share Items (continued)	Total amount	
Alternative Minimum Tax (AMT) items	15a	Post-1986 depreciation adjustment . . . . .	15a	
	b	Adjusted gain or loss . . . . .	15b	
	c	Depletion (other than oil and gas) . . . . .	15c	
	d	Oil, gas, and geothermal properties—gross income . . . . .	15d	
	e	Oil, gas, and geothermal properties—deductions . . . . .	15e	
	f	Other AMT items (attach statement) . . . . .	15f	
Items Affecting Shareholder Basis	16a	Tax-exempt interest income . . . . .	16a	
	b	Other tax-exempt income . . . . .	16b	
	c	Nondeductible expenses . . . . .	16c	546
	d	Distributions (attach statement if required) (see instructions) . . . . .	16d	
	e	Repayment of loans from shareholders . . . . .	16e	
Other Information	17a	Investment income . . . . .	17a	
	b	Investment expenses . . . . .	17b	
	c	Dividend distributions paid from accumulated earnings and profits . . . . .	17c	
	d	Other items and amounts (attach statement) . . . . .		
Reconciliation	18	Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14p . . . . .	18	19,715

Schedule L		Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)		
1	Cash . . . . .						
2a	Trade notes and accounts receivable . . . . .						
b	Less allowance for bad debts . . . . .						
3	Inventories . . . . .						
4	U.S. government obligations . . . . .						
5	Tax-exempt securities (see instructions) . . . . .						
6	Other current assets (attach statement) . . . . .						
7	Loans to shareholders . . . . .						
8	Mortgage and real estate loans . . . . .						
9	Other investments (attach statement) . . . . .						
10a	Buildings and other depreciable assets . . . . .						
b	Less accumulated depreciation . . . . .						
11a	Depletable assets . . . . .						
b	Less accumulated depletion . . . . .						
12	Land (net of any amortization) . . . . .						
13a	Intangible assets (amortizable only) . . . . .						
b	Less accumulated amortization . . . . .						
14	Other assets (attach statement) . . . . .						
15	Total assets . . . . .						
Liabilities and Shareholders' Equity							
16	Accounts payable . . . . .						
17	Mortgages, notes, bonds payable in less than 1 year . . . . .						
18	Other current liabilities (attach statement) . . . . .						
19	Loans from shareholders . . . . .						
20	Mortgages, notes, bonds payable in 1 year or more . . . . .						
21	Other liabilities (attach statement) . . . . .						
22	Capital stock . . . . .						
23	Additional paid-in capital . . . . .						
24	Retained earnings . . . . .						
25	Adjustments to shareholders' equity (attach statement) . . . . .						
26	Less cost of treasury stock . . . . .						
27	Total liabilities and shareholders' equity . . . . .						

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return**

Note: The corporation may be required to file Schedule M-3 (see instructions)

1	Net income (loss) per books		5	Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2	Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize)		a	Tax-exempt interest \$	
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 14p (itemize):		6	Deductions included on Schedule K, lines 1 through 12 and 14p, not charged against book income this year (itemize):	
a	Depreciation \$		a	Depreciation \$	
b	Travel and entertainment \$		7	Add lines 5 and 6	
4	Add lines 1 through 3		8	Income (loss) (Schedule K, line 18). Line 4 less line 7	

**Schedule M-2 Analysis of Accumulated Adjustments Account, Shareholders' Undistributed Taxable Income Previously Taxed, Accumulated Earnings and Profits, and Other Adjustments Account (see instructions)**

	(a) Accumulated adjustments account	(b) Shareholders' undistributed taxable income previously taxed	(c) Accumulated earnings and profits	(d) Other adjustments account
1 Balance at beginning of tax year	99,232			
2 Ordinary income from page 1, line 21	19,715			
3 Other additions				
4 Loss from page 1, line 21				
5 Other reductions	546			
6 Combine lines 1 through 5	118,401			
7 Distributions				
8 Balance at end of tax year. Subtract line 7 from line 6	118,401			

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