

DIS Case Number: 12-3197-EL-AGG

Section A: Application Information

Section B: Applicant Managerial Capability and Experience

Section C: Applicant Financial Capability and Experience

C-2. Financial statements

Provide copies of the applicant's two most recent years of audited financial statements, including a 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, provide 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 bank account numbers redacted**.

If the applicant is unable to meet the requirement for two years of financial statements, the Staff reviewer may request additional financial information.

File(s) attached

C-3. Forecasted financial statements

Provide two years of forecasted income statements **based solely on the applicant's anticipated business activities in the state of Ohio**.

Include the following information with the forecast: a list of assumptions used to generate the forecast; a statement indicating that the forecast is based solely on Ohio business activities only; and the name, address, email address, and telephone number of the preparer of the forecast.



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The forecast may be in one of two acceptable formats: 1) an annual format that includes the current year and the two years succeeding the current year; or 2) a monthly format showing 24 consecutive months following the month of filing this application broken down into two 12-month periods with totals for revenues, expenses, and projected net incomes for both periods. Please show revenues, expenses, and net income (revenues minus total expenses) that is expected to be earned and incurred in **business activities only in the state of Ohio** for those periods.

If the applicant is filing for both an electric certificate and a natural gas certificate, please provide a separate and distinct forecast for revenues and expenses representing Ohio electric business activities in the application for the electric certificate and another forecast representing Ohio natural gas business activities in the application for the natural gas certificate.

File(s) attached

Section D: Applicant Technical Capacity



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Application Attachments



Choice! Energy Services Retail, LP
dba Choice! Energy Management
Balance Sheet

<i>December 31,</i>	2019	2018
Assets		
Current assets		
Cash and cash equivalents	\$732,123	\$812,733
Due from affiliates	-	25,205
Total current assets	732,123	837,938
Non-current assets		
Notes receivable	554,450	250,000
Noncompete agreements, net	-	46,550
Software development costs, net	478,668	416,479
Total Non-current assets	1,033,118	713,029
Total assets	\$1,765,241	\$1,550,967
Liabilities and capital		
Current liabilities		
Accrued liabilities	1,051,384	376,427
Current maturities of long-term debt	345,000	2,083,333
Total current liabilities	1,396,384	2,459,760
Non-current liabilities		
Long-term debt, net of current portion	1,840,000	-
Total non-current liabilities	1,840,000	0
Total liabilities	\$3,236,384	\$2,459,760
Capital		
Partners' capital	(1,471,143)	(908,793)
Total capital	(1,471,143)	(908,793)
Total liabilities and capital	\$1,765,241	\$1,550,967



Choice! Energy Services Retail, LP
dba Choice! Energy Management
Statement of Operations and Income

<i>December 31,</i>	2019	2018
Revenues		
Commissions and brokerage fees, net	7,943,616	5,464,644
Total revenues	7,943,616	5,464,644
Cost of revenues	4,028,506	3,203,173
Gross profit	3,915,110	2,261,471
General and administrative expenses	4,367,020	2,454,627
Income from operations	(451,910)	(193,156)
Other income (expense)		
Interest income	1,275	8,831
Interest expense	(102,591)	(100,895)
Total other income (expense)	(101,316)	(92,064)
Income from operations before provision for income taxes	(553,226)	(285,220)
Provision for state income tax	7,847	5,522
Net income (loss)	(561,073)	(290,742)

Choice! Energy Services Retail, LP

Forecasted income statement based upon Ohio Electric brokering activities

	Current	Forecast	Forecast
	2020	2021	2022
Revenues			
Ohio Elec Brokering revenue	\$252,454	275,000	350,000
Expenses			
Total Expenses	\$ 240,500	260,000	320,000
Net Income	\$ 11,954	15,000	30,000

*Used current year as base for forecast and expected sales and expenses based on deal renewal, load growth and increased expense.

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Summary: In the Matter of the Application of Choice Energy Services Retail LP