



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.



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

C-5. Credit report

Provide a copy of the applicant's credit report from Experian, Equifax, TransUnion, Dun and Bradstreet or a similar credit reporting organization. If the applicant is a newly formed entity with no credit report, then provide a personal credit report for the principal owner of the entity seeking certification. At a minimum, the credit report must show summary information and an overall credit score. **Bank/credit account numbers and highly sensitive identification information must be redacted.** If the applicant provides an acceptable credit rating(s) in response to C-4, then the applicant may select 'This does not apply' and provide a response in the box below stating that a credit rating(s) was provided in response to C-4.

File(s) attached

Section D: Applicant Technical Capacity



Public Utilities
Commission

Application Attachments

Choice! Energy Services Revenue, Expenses and Net Income Forecast

Revenue

2023 YTD plus forecast	\$90,000
2024 Forecast	\$100,000
2025 Forecast	\$100,000

Expenses

2023 YTD plus forecast	\$85,000
2024 Forecast	\$90,000
2025 Forecast	\$90,000

Net Income

2023 YTD plus forecast	\$5,000
2024 Forecast	\$10,000
2025 Forecast	\$10,000

<i>December 31,</i>	2022	2021
Assets		
Current assets		
Cash and cash equivalents	\$154,147	\$558,196
Accounts receivable	150,551	110,808
Total current assets	304,698	669,004
Non-current assets		
Notes receivable	479,800	555,125
Noncompete agreements, net	56,806	115,139
Software development costs, net	311,173	640,360
Total Non-current assets	847,779	1,310,624
Total assets	<u>\$1,152,476</u>	<u>\$1,979,628</u>
Liabilities and capital		
Current liabilities		
Accounts payable	484,107	718,971
Accrued liabilities	990,718	850,072
Unearned revenue	-	677,802
Current maturities of long-term debt	460,000	460,000
Total current liabilities	1,934,824	2,706,844
Non-current liabilities		
Long-term debt, net of current portion	460,000	920,000
SBA	149,900	149,900
Total non-current liabilities	609,900	1,069,900
Total liabilities	\$2,544,724	\$3,776,744
Capital		
Partners' capital	(1,392,248)	(1,797,117)
Total capital	(1,392,248)	(1,797,117)
Total liabilities and capital	<u>\$1,152,476</u>	<u>\$1,979,628</u>



Choice! Energy Services Retail, LP
dba GetChoice!

Statement of Operations and Income - Modified Cash Basis

<i>December 31,</i>	2022	2021
Revenues		
Procurement brokerage fees	\$6,205,658	\$5,601,465
Account management services	1,562,569	1,450,690
Total revenues	7,768,226	7,052,155
Cost of revenues	3,951,500	4,195,825
Gross profit	3,816,726	2,856,330
General and administrative expenses	3,353,597	4,084,404
Income from operations	463,129	(1,228,073)
Other income (expense)		
Interest expense	(49,016)	(29,800)
Total other income (expense)	(49,016)	(29,800)
Income from operations before provision for income taxes	414,113	(1,257,873)
Extraordinary income - PPP	-	2,172,322
Provision for state income tax	9,244	14,000
Net income	\$404,869	\$900,449

Choice Energy Service Retail, LP

Address: 5718 Westheimer Rd
Houston, TX 77057-5745
United States

Phone: 713-358-5400

Website: choiceenergyservices.com

Experian BIN: 784217651

Agent: Ct Corporation System

Agent Address: 1999 Bryan ST Ste 900
Dallas, TX

Family Linkage:
Ultimate Parent Choice Energy Service Retail, LP
5718 Westheimer Rd
Houston, TX

Branches / Alternative Locations: Choice Energy Service Retail, LP
5151 San Felipe St Ste 2200
Houston, TX United States

Key Personnel: Chairman: Enrique J Loya
Owner: Javier Loya
President: John Klosek

SIC Code: 8748-Business Consulting Services, Nec
8999-Services, Nec
1711-Plumbing, Heating & A/C Contractors

NAICS Code: 541690-Other Scientific And Technical Consulting Services
238220-Plumbing, Heating, And Air-Conditioning Contractors
221210-Natural Gas Distribution

Business Type: Corporation

Experian File Established: June 1994

Experian Years on File: 29 Years

Years in Business: More than 29 Years

Total Employees: 1

Sales: \$212,000

Filing Data Provided by: Texas

Date of Incorporation: 07/20/2004

Experian Business Credit Score

72
Business Credit
Score



The objective of the Experian Business Credit Score is to predict payment behavior. High Risk means that there is a significant probability of delinquent payment. Low Risk means that there is a good probability of on-time payment.

Key Score Factors:

- Number of good commercial accounts.
- Commercial account delinquency in last 12 months.
- Number of commercial accounts with high utilization.
- Nbr of leasing accts as pct of total nbr of accts.

Business Credit Scores range from a low of 1 to high of 100 with this company receiving a score of 72. Higher scores indicate lower risk. This score predicts the likelihood of serious credit delinquencies within the next 12 months. This score uses tradeline and collections information, public filings as well as other variables to predict future risk.

Experian Financial Stability Risk Rating

1

**Financial
Stability Risk
Rating**



A Financial Stability Risk Rating of 1 indicates a 0.55% potential risk of severe financial distress within the next 12 months.

Key Rating Factors:

- Number of active commercial accounts.
- Risk associated with the company's industry sector.
- Risk associated with the business type.
- Employee size of business.

Financial Stability Risk Ratings range from a low of 1 to high of 5 with this company receiving a rating of 1. Lower ratings indicate lower risk. Experian categorizes all businesses to fit within one of the five risk segments. This rating predicts the likelihood of payment default and/or bankruptcy within the next 12 months. This rating uses tradeline and collections information, public filings as well as other variables to predict future risk.

Credit Summary

This location does not yet have an estimated Days Beyond Terms (**DBT**), or a Payment Trend Indicator. This is often the result of too few Payment **Tradelines**.

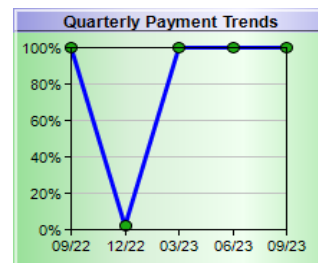
Lowest 6 Month Balance: \$216
Highest 6 Month Balance: \$299
Current Total Account Balance: \$0
Highest Credit Amount Extended: \$0

Payment Tradelines (see [charts](#), [detail](#)): 3
Business Inquiries (see [summary](#)): 1
UCC Filings (see [detail](#)) (see [summary](#)): 2

■ **Businesses Scoring Worse:** 71%
 ✓ **Bankruptcies:** 0
 ✓ **Liens:** 0
 ✓ **Judgments Filed:** 0
 ✓ **Collections:** 0

Payment Trend Summary

Insufficient information to produce
Monthly Payment Trends
 chart.

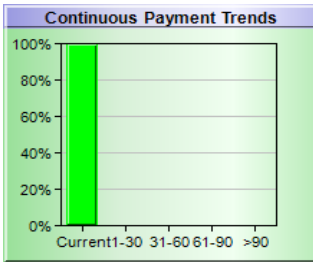


*Percentage of on-time payments by quarter.

Insufficient information to produce
Monthly Payment Trends
 table.

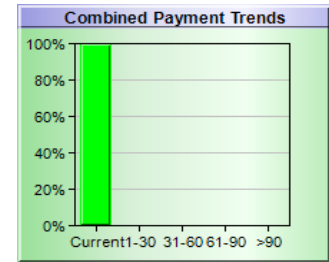
Quarterly Payment Trends - Recent Activity

Date	Current	Up to 30 DBT	31-60 DBT	61-90 DBT	>90 DBT
09/22	0%	0%	0%	0%	0%
12/22	2%	33%	65%	0%	0%
03/23	0%	0%	0%	0%	0%
06/23	0%	0%	0%	0%	0%
09/23	0%	0%	0%	0%	0%



***Continuous** distribution with **DBT**.

Insufficient information to produce
Newly Reported Payment Trends
chart.



***Combined** distribution with **DBT**.

Trade Payment Information

Payment Experiences (Financial Trades)

Supplier Category	Reported Date	Activity Date	Payment Terms	Recent High Credit	Balance	Current	Up to 30 DBT	31-60 DBT	61-90 DBT	>90 DBT	Comments
Fincl Svcs	9/01/23	8/21/23	Rev	\$410	\$299						Satisfacto
Leasing	9/30/23		Mo	\$1,944	\$0						
Warehouse	10/06/23	6/17/19	Rev		\$0						Account Cl

Inquiries

Summary of Inquiries

Supplier Category	10/23	09/23	08/23	07/23	06/23	05/23	04/23	03/23	02/23
Insurance	0	0	0	0	0	0	1	0	0
Totals	0	0	0	0	0	0	1	0	0

UCC Filings

Date: 09/23/2021
 Filing Number: 210041824062
 Jurisdiction: Sec Of State TX
 Secured Party: U.S. Small Business Administration TX El Paso 1545 Haw
 Collateral: Inventory, Equipment, Hereafter Acquired Property, Other Assets (undefined)
 Activity: Filed

Date: 10/03/2019
 Filing Number: 190037624486
 Jurisdiction: Sec Of State TX
 Secured Party: Suntrust Bank Ga Atlanta 245 Peachtree Center Ave., Ne
 Activity: Filed

UCC Filings Summary

Filing Period	Cautionary Filings	Total Filed	Total Released	Total Continued	Amended / Assigned
JUL-Present 2023	0	0	0	0	0
JAN-JUN 2023	0	0	0	0	0
JUL-DEC 2022	0	0	0	0	0
JAN-JUN 2022	0	0	0	0	0
JUL-DEC 2021	1	1	0	0	0
Prior to JUL 2021	0	1	0	0	0

Cautionary UCC Filings include one or more of the following collateral: Accounts, Accounts Receivable, Contracts, Hereafter acquired property, Leases, Notes Receivable, or Proceeds.

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in

Case No(s). 12-3197-EL-AGG

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