

FILE

Spark Energy

GAS & ELECTRICITY

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PUCO

Public Utilities Commission of Ohio
Docketing Division, 13th Floor
180 East Broad Street
Columbus, Ohio 43215-3793

08-638-GA-CRS

**RE: Spark Energy Gas, LP – Certification Application to Become a Certified
Retail Natural Gas Supplier in the State of Ohio – AMENDED**

To Whom It May Concern:

Spark Energy Gas, LP has submitted an Application to Become a Certified Retail Natural Gas Supplier ("CRNGS") in the State of Ohio, as well as a Motion for Protective Treatment.

Please find, under this letter, the form required by the PUCO in order to be considered as a CRNGS with sections A-11 and A-12 completed. Also, please find an Amended Exhibit C-5, regarding Forecasted Financials.

All Exhibits, Cover Pages and other information are currently in the possession of the PUCO.

If further information is required, please contact:

Ms. Casey P. Adkins
Assistant General Counsel
832-217-1892 (direct)
832-217-1895 (fax)
cadkins@sparkenergy.com

Ms. Brandi E. Day
Director of Retail Market Planning and Analysis
832-200-3731 (direct)
832-200-3787 (fax)
bday@sparkenergy.com

As always, it is a top priority of Spark Energy Gas, LP to remain in compliance with all requests and regulations of any and all Commission and Utilities that SEG is involved with. Please do not hesitate to contact us directly with any questions or concerns.

Thank you, for your time and assistance.

Sincerely,

Michelle D. Presley

Michelle D. Presley
Project Manager
New Markets Department

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PUCO USE ONLY - Version 1.07		
Date Received	Case Number	Certification Number
08	638 - GA-CRS	

CERTIFICATION APPLICATION COMPETITIVE RETAIL NATURAL GAS SUPPLIERS

Please type or print all required information. Identify all attachments with an exhibit label and title (*Example: Exhibit A-16 - Company History*). All attachments should bear the legal name of the Applicant. Applicants should file completed applications and all related correspondence with the Public Utilities Commission of Ohio, Docketing Division, 13th Floor, 180 East Broad Street, Columbus, Ohio 43215-3793.

This PDF form is designed so that you may directly input information onto the form. You may also download the form by saving it to your local disk.

SECTION A - APPLICANT INFORMATION AND SERVICES

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

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

A-2 Applicant information:

Legal Name **Spark Energy Gas, LP**
Address **3010 Briarpark Drive, Suite 550, Houston, TX 77042**
Telephone No. **713-977-5634** Web site Address **www.sparkenergy.com**

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

Name **Spark Energy Gas, LP**
Address **3010 Briarpark Drive, Suite 550, Houston, TX 77042**
Web site Address **www.sparkenergy.com** Telephone No. **713-977-5634**

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

Spark Energy Gas, LP

A-5 Contact person for regulatory or emergency matters:

Name **Brandi E. Day** Title **Director of Retail Market Planning and Analysis**
Business Address **3010 Briarpark Drive, Suite 550, Houston, TX 77042**
Telephone No. **832-200-3767** Fax No. **832-200-3787** Email Address **bday@sparkenergy.com**

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

Name **Julia Martinez** Title **Operations Manager**
Business address **3010 Briarpark Drive, Suite 550, Houston, TX 77042**
Telephone No. **713-977-5634** Fax No. **866-413-2904** Email Address **jmartinez@sparkenergy.com**

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

Customer service address **3010 Briarpark Drive, Suite 550, Houston, TX 77042**
Toll-Free Telephone No. **866-877-4427** Fax No. **866-413-2904** Email Address **ytaylor@sparkenergyp.com**

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

Name **CT Corporation System** Title
Business address **1300 East 9th Street, Cleveland, OH 44114**
Telephone No. Fax No. Email Address

A-9 Applicant's federal employer identification number **76-0668204**

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

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

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

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

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

☐ **Columbia Gas of Ohio** SEG was previously licensed by the PUCO; however, has not actively participated in the Choice Program.

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

☐ **Dominion East Ohio**

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

☐ **Duke Energy Ohio**

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

☐ **Vectren Energy Delivery of Ohio**

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

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

<input checked="" type="checkbox"/>	Columbus Gas of Ohio	Intended Start Date	December, 2008
<input checked="" type="checkbox"/>	Dominion East Ohio	Intended Start Date	September, 2008
<input type="checkbox"/>	Ohio Energy Ohio	Intended Start Date	
<input type="checkbox"/>	Vectren Energy Delivery of Ohio	Intended Start Date	

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED.

- A-14 Exhibit A-14 "Principal Officers, Directors & Partners,"** provide the names, titles, addresses and telephone numbers of the applicant's principal officers, directors, partners, or other similar officials.
- A-15 Exhibit A-15 "Corporate Structure,"** provide a description of the applicant's corporate structure, including a graphical depiction of such structure, and a list of all affiliate and subsidiary companies that supply retail or wholesale natural gas or electricity to customers in North America.
- A-16 Exhibit A-16 "Company History,"** provide a concise description of the applicant's company history and principal business interests.
- A-17 Exhibit A-17 "Articles of Incorporation and Bylaws,"** if applicable, provide the articles of incorporation filed with the state or jurisdiction in which the applicant is incorporated and any amendments thereto.
- A-18 Exhibit A-18 "Secretary of State,"** provide evidence that the applicant is currently registered with the Ohio Secretary of the State.

SECTION B - APPLICANT MANAGERIAL CAPABILITY AND EXPERIENCE

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED

- B-1 Exhibit B-1 "Jurisdictions of Operation,"** provide a current list of all jurisdictions in which the applicant or any affiliated interest of the applicant is, at the date of filing the application, certified, licensed, registered, or otherwise authorized to provide retail natural gas service, or retail/wholesale electric services.
- B-2 Exhibit B-2 "Experience & Plans,"** provide a current description of the applicant's experience and plan for contracting with customers, providing contracted services, providing billing statements, and responding to customer inquiries and complaints in accordance with Commission rules adopted pursuant to Section 4929.22 of the Revised Code and contained in Chapter 4901:1-29 of the Ohio Administrative Code.
- B-3 Exhibit B-3 "Summary of Experience,"** provide a concise and current summary of the applicant's experience in providing the service(s) for which it is seeking to be certified to provide (e.g., number and types of customers served, utility service areas, volume of gas supplied, etc.).
- B-4 Exhibit B-4 "Disclosure of Liabilities and Investigations,"** provide a description of all existing, pending or past rulings, judgments, contingent liabilities, revocations of authority, regulatory investigations, or any other matter that could adversely impact the applicant's financial or operational

status or ability to provide the services it is seeking to be certified to provide.

- B-5 Exhibit B-5 "Disclosure of Consumer Protection Violations,"** disclose whether the applicant, affiliate, predecessor of the applicant, or any principal officer of the applicant has been convicted or held liable for fraud or for violation of any consumer protection or antitrust laws within the past five years.

☒ No ☐ Yes

If Yes, provide a separate attachment labeled as Exhibit B-5 "Disclosure of Consumer Protection Violations," detailing such violation(s) and providing all relevant documents.

- B-6 Exhibit B-6 "Disclosure of Certification Denial, Curtailment, Suspension, or Revocation,"** disclose whether the applicant or a predecessor of the applicant has had any certification, license, or application to provide retail natural gas or retail/wholesale electric service denied, curtailed, suspended, or revoked, or whether the applicant or predecessor has been terminated from any of Ohio's Natural Gas Choice programs, or been in default for failure to deliver natural gas.

☒ No ☐ Yes

If Yes, provide a separate attachment, labeled as Exhibit B-6 "Disclosure of Certification Denial, Curtailment, Suspension, or Revocation," detailing such action(s) and providing all relevant documents.

SECTION C - APPLICANT FINANCIAL CAPABILITY AND EXPERIENCE

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED

- C-1 Exhibit C-1 "Annual Reports,"** provide the two most recent Annual Reports to Shareholders. If applicant does not have annual reports, the applicant should provide similar information, labeled as Exhibit C-1, or indicate that Exhibit C-1 is not applicable and why.
- C-2 Exhibit C-2 "SEC Filings,"** provide the most recent 10-K/8-K Filings with the SEC. If applicant does not have such filings, it may submit those of its parent company. If the applicant does not have such filings, then the applicant may indicate in Exhibit C-2 whether the applicant is not required to file with the SEC and why.
- C-3 Exhibit C-3 "Financial Statements,"** provide copies of the applicant's two most recent years of audited financial statements (balance sheet, income statement, and cash flow statement). If audited financial statements are not available, provide officer-certified financial statements. If the applicant has not been in business long enough to satisfy this requirement, it shall file audited or officer-certified financial statements covering the life of the business.
- C-4 Exhibit C-4 "Financial Arrangements,"** provide copies of the applicant's current financial arrangements to conduct competitive retail natural gas service (CRNGS) as a business activity (e.g., guarantees, bank commitments, contractual arrangements, credit agreements, etc.)
- C-5 Exhibit C-5 "Forecasted Financial Statements,"** provide two years of forecasted financial statements (balance sheet, income statement, and cash flow statement) for the applicant's CRNGS operation, along with a list of assumptions, and the name, address, email address, and telephone number of the preparer.

- C-6 Exhibit C-6 "Credit Rating,"** provide a statement disclosing the applicant's current credit rating as reported by two of the following organizations: Duff & Phelps, Dun and Bradstreet Information Services, Fitch IBCA, Moody's Investors Service, Standard & Poors, or a similar organization. In instances where an applicant does not have its own credit ratings, it may substitute the credit ratings of a parent or affiliate organization, provided the applicant submits a statement signed by a principal officer of the applicant's parent or affiliate organization that guarantees the obligations of the applicant.
- C-7 Exhibit C-7 "Credit Report,"** provide a copy of the applicant's current credit report from Experion, Dun and Bradstreet, or a similar organization.
- C-8 Exhibit C-8 "Bankruptcy Information,"** provide a list and description of any reorganizations, protection from creditors, or any other form of bankruptcy filings made by the applicant, a parent or affiliate organization that guarantees the obligations of the applicant or any officer of the applicant in the current year or since applicant last filed for certification.
- C-9 Exhibit C-9 "Merger Information,"** provide a statement describing any dissolution or merger or acquisition of the applicant within the five most recent years preceding the application, or at any time as a participant in the Ohio Natural Gas Choice programs.

SECTION D – APPLICANT TECHNICAL CAPABILITY

PROVIDE THE FOLLOWING AS SEPARATE ATTACHMENTS AND LABEL AS INDICATED.

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

Applicant Signature and Title

Sworn and subscribed before me this

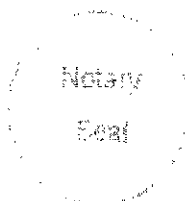
day of

Month

Year

Signature of official administering oath

Print Name and Title



My commission expires on



The Public Utilities Commission of Ohio

Competitive Retail Natural Gas Service Affidavit Form (Version 1.07)

In the Matter of the Application of)

Spark Energy Gas, LP)
for a Certificate or Renewal Certificate to Provide)
Competitive Retail Natural Gas Service in Ohio.)

Case No. [REDACTED] -GA-CRS

County of Harris
State of Texas

Ken Zlobner

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

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

Affiant Signature & Title

Sworn and subscribed before me this [REDACTED] day of [REDACTED] Month [REDACTED] Year

Signature of Official Administering Oath

Print Name and Title

Notary

Seal

My commission expires on [REDACTED]

(CRNGS Supplier -Version 1.07) Page 7 of 7

STATE OF OHIO
PUBLIC UTILITIES COMMISSION OF OHIO

SPARK ENERGY GAS, LP

*CERTIFICATION APPLICATION FOR
COMPETITIVE RETAIL NATURAL GAS SUPPLIERS*

AMENDED

Exhibit C-5

Forecasted Financial Statements

Information Provided by:

Mrs. Michelle Presley
Senior Retail Analyst
New Markets Department
832-200-3767 (direct)
mpresley@sparkenergy.com

RECAP - Assumptions - SEG Ohio

06/25/08

Income Statement Assumptions			
	Residential	Small Commercial	Weighted Average
Operating Assumptions			
Percent of Customers	75%	25%	100%
Annual Customer Load	120.0	360.0	180
Sales Revenue (\$/dth)	\$15.99	\$15.61	\$15.89
COGS (\$/dth)	\$14.49	\$14.41	\$14.47
G&A (\$/customer)	\$7.71	\$8.96	\$8.02

Forecasted Income Statement - SEG Ohio

06/25/08

Forecasted Income Statement - Ohio	2008	2009
Sales Revenue - \$	\$2,803,835	\$26,922,085
Cost of goods sold	\$2,573,244	\$24,569,679
Net Gross Margin	\$230,591	\$2,352,406
G & A	\$80,242	\$1,137,045
Interest Expense & LC Costs	\$21,897	\$273,507
Net Income	\$128,452	\$941,854

Forecasted Balance Sheet - SEG Ohio

Forecasted Balance Sheet	2008	2009
ASSETS		
Cash	\$627,754	\$3,222,958
Accounts receivable	1,052,738	4,543,796
TOTAL ASSETS	\$1,680,492	\$7,766,754
LIABILITIES AND MEMBER'S EQUITY		
Accounts payable	1,552,039	6,696,447
Total current liabilities	\$1,552,039	\$6,696,447
Parent's Equity in Division	128,452	1,070,307
TOTAL LIABILITIES AND MEMBER'S EQUITY	\$1,680,492	\$7,766,754
	0	0

Forecasted Cash Flow Statement - SEG Ohio

Forecasted Cash Flow Statement	2008	2009
<u>Operating Activities</u>		
Net Income	128,452	941,854
Accounts Receivable Change	(1,052,738)	(3,491,058)
Accounts Payable Change	1,552,039	5,144,408
Net Cash Provided by Operating Activities	627,754	2,595,204
Beginning cash balance	0	627,754
Ending cash balance	\$627,754	\$3,222,958