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Santanna ENERGY SERVICES

7701 San Felipe Blvd., Ste 200
Austin, TX 78729

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September 1st, 2010

By Federal Express Overnight Priority

10-1283- GA-CRS

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

Subject: Santanna Energy Services Application for Competitive Retail Natural Gas Supplier.

To Whom It May Concern:

Santanna Natural Gas Corporation d.b.a. Santanna Energy Services has this day filed via a hard copy an original and ten copies of its application for licensure as a Competitive Retail Gas Supplier via Federal Express Overnight Priority.

If you have any questions regarding this matter, please do not hesitate to contact me at 512-346-2500 ext 244 or Rabaey@ses4energy.com. Thank you for your consideration.

Respectfully Submitted,

Gregory F. Rabaey
Vice President/Chief Operating Officer
Santanna Energy Services

Enclosures

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Date Received	Case Number	Certification Number
	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 Santanna Natural Gas Corporation
Address 7701 San Felipe Blvd., Ste 200 Austin, TX 78729
Telephone No. 512-346-2500 Web site Address SantannaEnergyServices.com

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

Name Santanna Energy Services
Address 7701 San Felipe Blvd., Ste 200 Austin, TX 78729 - Ohio Office address is TBD
Web site Address SantannaEnergyServices.com Telephone No. 512-346-2500 - Ohio Office phone is TBD

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

Santanna Energy Services
Santanna Natural Gas Corporation

A-5 Contact person for regulatory or emergency matters:

Name Gregory Rabaey Title Vice President-Information Systems, COO
Business Address 7701 San Felipe Blvd., Ste 200 Austin, TX 78729
Telephone No. 512-346-2500 ext 244 Fax No. 512-346-2578 Email Address Rabaey@ses4energy.com

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

Name Roberto Cruz Title Customer Service Team Leader
Business address 120 E. Ogden Ave., Ste 236 Hinsdale, IL 60521
Telephone No. 630-789-6022 ext 238 Fax No. 877-887-5099 Email Address Cruz@ses4energy.com

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

Customer service address 120 E. Ogden Ave., Ste 236 Hinsdale, IL 60521
Toll-Free Telephone No. 800-764-4427 Fax No. 877-887-5099 Email Address Cruz@ses4energy.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 Please See Exhibit A-8 - Verified Affidavit Title
Business address
Telephone No. Fax No. Email Address

A-9 Applicant's federal employer identification number

74-2500445

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 checked="" type="checkbox"/> Corporation | <input type="checkbox"/> Other |

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

<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"/>	Columbia Gas of Ohio	Intended Start Date	08/20/2017
<input checked="" type="checkbox"/>	Dominion East Ohio	Intended Start Date	TBD
<input checked="" type="checkbox"/>	Duke Energy Ohio	Intended Start Date	TBD
<input checked="" type="checkbox"/>	Vectren Energy Delivery of Ohio	Intended Start Date	TBD

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 Experian, 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

[Handwritten Signature] Up, COO

Sworn and subscribed before me this 1st day of September Month 2010 Year

[Handwritten Signature: Jeannie Deaton]
Signature of official administering oath

[Handwritten Signature: Jeannie Deaton, Notary]
Print Name and Title



My commission expires on

[Handwritten Date: 12/18/2010]



The Public Utilities Commission of Ohio

Competitive Retail Natural Gas Service
Affidavit Form
(Version 1.07)

In the Matter of the Application of)

Santanna Natural Gas Corporation)

for a Certificate or Renewal Certificate to Provide)

Competitive Retail Natural Gas Service in Ohio.)

Case No.



-GA-CRS

County of Travis

State of Texas

Gregory F. Rabaey

[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

[Signature]

UP, COO

Sworn and subscribed before me this

1st

day of September

Month

2010

Year

[Signature]

Signature of Official Administering Oath

[Signature]

Print Name and Title

Notary



My commission expires on

12/18/2010

(CRNGS Supplier -Version 1.07) Page 7 of 7

Exhibit A-8 – Proof of an Ohio Office and Employee

Verified Affidavit

Santanna Natural Gas Corporation will establish an Ohio office and employee prior to commencing any business in the state of Ohio. Once Santanna has established a local office and employee, it will file and docket the amended page of this application providing the new information, referencing its assigned case number.

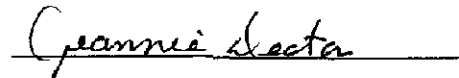
VERIFICATION)
)
STATE OF TEXAS)
)
COUNTY OF TRAVIS)

Gregory F. Rabaey, being first duly sworn, deposes and says that he is the VP Operations/Chief operating Officer at Santanna Natural Gas Corporation; that he has read the above statement and verifies that it is true, correct and complete to the best of his knowledge, information and belief.



Gregory F. Rabaey
7701 San Felipe Blvd., Ste 200
Austin, TX 78729

Subscribed and sworn to before me
this 31st day of August, 2010.



Notary Public



Exhibit A-14 - Principal Officers, Directors & Partners

Name: T. Wayne Gatlin

Title: President, CEO, COB

Address: 7701 San Felipe Blvd. Ste 200 Austin, TX 78729

Phone: 512 - 346 - 2500 ext 215

Name: Douglas G. Cueller

Title: Vice President - Midwest Operations, CMO

Address: 120 E. Ogden Ave. Ste 236 Hinsdale, IL 60521

Phone: 630 - 789 - 6022 ext 230

Name: Gregory F. Rabaey

Title: Vice President-Information Systems, COO

Address: 7701 San Felipe Blvd. Ste 200 Austin, TX 78729

Phone: 512 - 346 - 2500 ext 244

Name: Richard McDonald

Title: Controller, Secretary/Treasurer

Address: 7701 San Felipe Blvd. Ste 200 Austin, TX 78729

Phone: 512 - 346 - 2500 ext 225

Name: David W. Wilson

Title: Board Member

Address: 2010 Grove Lake Drive Kingwood, TX 77339

Phone: 281 - 358 - 3901

Santanna Natural Gas Corporation
7701 San Felipe Blvd., Ste 200
Austin, TX 78729

Exhibit A-15 - Corporate Structure

Applicant is a privately held Texas S Corp. Applicant has no subsidiaries.

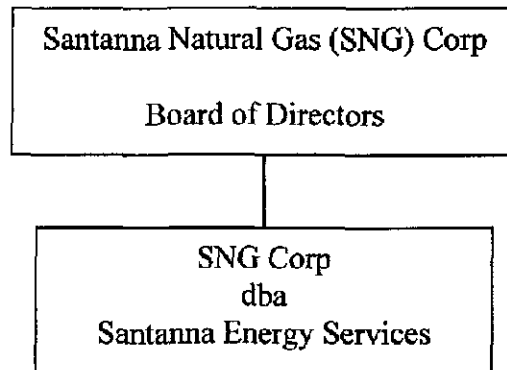


Exhibit A-16 – Company History

Santanna Natural Gas Corporation was incorporated in Texas in early 1988 and set up shop in Austin. The stock holders had begun work together in April of 1987 to formulate a business plan to grow in the then young but growing field of natural gas deregulation that allowed businesses to choose a commodity supplier other than the franchised utility.

Santanna initially targeted the US market as a whole, but by late 1987, the focus was narrowed to the Midwest. Santanna made its first deliveries to end users in Illinois in September 1987 and within a couple of years opened an office in Hinsdale, Illinois. Those early years focused on larger users of natural gas but Santanna slowly migrated toward its niche, which was the smaller end user who benefitted from and required more service than they would derive from a wholesale natural gas company. Santanna participated in the Illinois market serving commercial and industrial customers of all sizes, and in 2002 began serving residential customers. In 2010, Santanna began a very successful marketing program to the small commercial and residential customers in Michigan, while continuing a focus on Illinois as well. Santanna currently serves over 60000 natural gas customers behind eight natural gas distribution company's in Illinois and Michigan, as well as representing more than 500 commercial and industrial electric customers behind electric utilities in Illinois.

The company currently has a staff of 50, with offices in Austin Texas, Hinsdale Illinois, and Southfield Michigan.

ARTICLES OF INCORPORATION

OF

SANTANNA NATURAL GAS CORPORATION

FILED
In the Office of the
Secretary of State of Texas

MAY 12 1988

Corporations Section

ARTICLE ONE

The name of the Corporation is SANTANNA NATURAL GAS CORPORATION.

ARTICLE TWO

The period of its duration is perpetual.

ARTICLE THREE

The purpose for which the Corporation is organized is the transaction of any and all lawful business for which a corporation may be incorporated under the Texas Business Corporation Act.

ARTICLE FOUR

The aggregate number of shares which the Corporation shall have authority to issue is One Thousand (1,000). The shares shall have no par value.

ARTICLE FIVE

The Corporation will not commence business until it has received consideration equal to or exceeding the value of \$1,000.00, consisting of money, labor done, or property actually received, for the issuance of its shares.

ARTICLE SIX

The street address of its initial Registered Office, and the name of its initial Registered Agent at this address is as follows:

James A. Childress
301 East Wallace
San Saba, Texas 76877

ARTICLE SEVEN

The number of initial Directors is three (3). The names and addresses of the initial Directors are:

Earle D. Cook
6907 Capital of Texas Highway
Suite 380
Austin, Texas 78731

T. W. Gatlin
6907 Capital of Texas Highway
Suite 380
Austin, Texas 78731

J. D. Smith
6907 Capital of Texas Highway
Suite 380
Austin, Texas 78731

ARTICLE EIGHT

The name and address of the Incorporator is:

Marilyn S. Hershman
408 W. 17th Street, Suite 101
Austin, Texas 78701-1207
(512) 474-2002

IN WITNESS WHEREOF: I have hereunto set my hand this
12th day of May, 19 88.


Marilyn S. Hershman, Incorporator

BY-LAWS
OF
SANTANNA NATURAL GAS CORPORATION

ARTICLE I - OFFICES

1. REGISTERED OFFICE AND AGENT

The registered office of the corporation shall be maintained at 6907 Capital of Texas Highway, Suite 380, Austin, Texas 78731, in the State of Texas. The registered office or the registered agent, or both, may be changed by resolution of the board of directors, upon filing the statement required by law.

2. PRINCIPAL OFFICE

The principal office of the corporation shall be at 6907 Capital of Texas Highway, Suite 380, Austin, Texas 78731, provided that the board of directors shall have power to change the location of the principal office in its discretion.

3. OTHER OFFICES

The corporation may also maintain other offices at such places within or without the State of Texas as the board of directors may from time to time appoint or as the business of the corporation may require.

ARTICLE II - SHAREHOLDERS

1. PLACE OF MEETING

All meetings of shareholders, both regular and special, shall be held either at the registered office of the corporation in Texas or at such other places, either within or without the state, as shall be designated in the notice of the meeting.

2. ANNUAL MEETING

The annual meeting of shareholders for the election of directors and for the transaction of all other business which may come before the meeting shall be held on the 1st day of June in each year (if not a legal holiday and, if a legal holiday, then on the next business day following) at the hour specified in the notice of meeting.

If the election of directors shall not be held on the day above designated for the annual meeting, the board of directors shall cause the election to be held as soon thereafter as conveniently may be at a special meeting of the shareholders called for the purpose of holding such election.

The annual meeting of shareholders may be held for any other purpose in addition to the election of directors which may be specified in a notice of such meeting. The meeting may be called by resolution of the board of directors or by a writing filed with the secretary signed either by a majority of the directors or by shareholders owning a majority in amount of the entire capital stock of the corporation issued and outstanding and entitled to vote at any such meeting.

3. NOTICE OF SHAREHOLDERS' MEETING

A written or printed notice stating the place, day and hour of the meeting, and in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than fifty (50) days before the date of the meeting, either personally or by mail, by or at the direction of the president, secretary or the officer or person calling the meeting, to each shareholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the shareholder at his address as it appears on the share transfer books of the corporation, with postage thereon prepaid.

4. VOTING OF SHARES

Each outstanding share, regardless of class, shall be entitled to one vote on each matter submitted to a vote at a meeting of shareholders, except to the extent that the voting rights of the shares of any class or classes are limited or denied by the Articles of Incorporation or by law.

Treasury shares, shares of its own stock owned by another corporation the majority of the voting stock of which is owned or controlled by this corporation, and shares of its own stock held by this corporation in a fiduciary capacity shall not be voted, directly or indirectly, at any meeting, and shall not be counted in determining the total number of outstanding shares at any given time.

A shareholder may vote either in person or by proxy executed in writing by the shareholder or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. Each proxy shall be revocable unless expressly provided therein to be irrevocable, and in no

event shall it remain irrevocable for a period of more than eleven (11) months.

At each election for directors every shareholder entitled to vote at such election shall have the right to vote, in person or by proxy, the number of shares owned by him for as many persons as there are directors to be elected and for whose election he has a right to vote, or unless prohibited by the Articles of Incorporation, to cumulate his votes by giving one candidate as many votes as the number of such directors multiplied by the number of his shares shall equal, or by distributing such votes on the same principal among any number of such candidates. Any shareholder who intends to cumulate his votes as herein authorized shall give written notice of such intention to the secretary of the corporation on or before the day preceding the election at which such shareholder intends to cumulate his votes.

5. CLOSING TRANSFER BOOKS AND FIXING RECORD DATE

For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purpose, the board of directors may provide that the share transfer books shall be closed for a stated period not exceeding fifty (50) days. If the stock transfer books shall be closed for the purpose of determining shareholders entitled to notice of or to vote at a meeting of shareholders, such books shall be closed for at least ten (10) days immediately preceding such meeting. In lieu of closing the stock transfer books, the by-laws or in the absence of an applicable by-law, the board of directors, may fix in advance a date as the record date for any such determination of shareholders, not later than fifty (50) days and, in case of a meeting of shareholders, not earlier than ten (10) days prior to the date on which the particular action, requiring such determination of shareholders is to be taken. If the share transfer books are not closed and no record date is fixed for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders, or shareholders entitled to receive payment of a dividend, the date on which notice of the meeting is mailed or the date on which the resolution of the board of directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of shareholders. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof, except where the determination has been made through the closing of share transfer books and the stated period of closing has expired.

6. QUORUM OF SHAREHOLDERS

Unless otherwise provided in the articles of incorporation, the holders of a majority of the shares entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders, but in no event shall a quorum consist of the holders of less than one-third (1/3) of the shares entitled to vote and thus represented at such meeting. The vote of the holders of a majority of the shares entitled to vote and thus represented at a meeting at which a quorum is present shall be the act of the shareholders' meeting, unless the vote of a greater number is required by law, the articles of incorporation or the by-laws.

7. VOTING LISTS

The officer or agent having charge of the share transfer books for the shares of the corporation shall make, at least ten (10) days before each meeting of shareholders, a complete list of the shareholders entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order, with the address of and the number of shares held by each, which list, for a period of ten (10) days prior to such meeting, shall be kept on file at the registered office of the corporation and shall be subject to inspection by any shareholder at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to inspection of any shareholder during the whole time of the meeting. The original share transfer books shall be prima-facie evidence as to who are the shareholders entitled to examine such list or transfer books or to vote at any meeting of shareholders.

ARTICLE III - DIRECTORS

1. BOARD OF DIRECTORS

The business and affairs of the corporation shall be managed by a board of directors. Directors need not be residents of the State of Texas or shareholders in the corporation.

2. NUMBER AND ELECTION OF DIRECTORS

The number of directors shall be three (3) provided that the number may be increased or decreased from time to time by an amendment to these by-laws, but no decrease shall have the effect of shortening the term of any incumbent director. At each annual election the shareholders shall elect directors to hold office until the next succeeding annual meeting.

3. VACANCIES

Any vacancy occurring in the board of directors may be filled by the affirmative vote of the remaining directors, though less than a quorum of the board. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting or at a special meeting of shareholders called for that purpose.

4. QUORUM OF DIRECTORS

A majority of the board of directors shall constitute a quorum for the transaction of business. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors.

5. ANNUAL MEETING OF DIRECTORS

Within thirty days after each annual meeting of shareholders the board of directors elected at such meeting shall hold an annual meeting at which they shall elect officers and transact such other business as shall come before the meeting.

6. REGULAR MEETING OF DIRECTORS

A regular meeting of the board of directors maybe held at such time as shall be determined from time to time by resolution of the board of directors.

7. SPECIAL MEETINGS OF DIRECTORS

The secretary shall call a special meeting of the board of directors whenever requested to do so by the president or by two directors. Such special meeting shall be held at the time specified in the notice of the meeting.

8. PLACE OF DIRECTORS' MEETINGS

All meetings of the board of directors (annual, regular or special) shall be held either at the principal office of the corporation or at such other place, either within or without the State of Texas, as shall be specified in the notice of meeting.

9. NOTICE OF DIRECTORS' MEETINGS

All meetings of the board of directors (annual, regular or special)

shall be held upon five (5) days' written notice stating the date, place and hour of meeting delivered to each director either personally or by mail or at the direction of the president or the secretary or the officer or person calling the meeting.

In any case where all of the directors execute a waiver of notice of the time and place of meeting, no notice thereof shall be required, and any such meeting (whether annual, regular or special) shall be held at the time and at the place (either within or without the State of Texas) specified in the waiver of notice. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where any of the directors attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Neither the business to be transacted at, nor the purpose of, any annual, regular or special meeting of the board of directors need be specified in the notice or waiver of notice of such meeting.

10. COMPENSATION

Directors, as such, shall not receive any stated salary for their services, but by resolution of the board of directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at each annual, regular or special meeting of the board, provided, that nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefor.

ARTICLE IV - OFFICERS

1. OFFICERS ELECTION

The officers of the corporation shall consist of a president, one or more vice-presidents, a secretary, and a treasurer. All such officers shall be elected at the annual meeting of the board of directors provided for in Article III, Section 5. If any office is not filled at such annual meeting, it may be filled at any subsequent, regular or special meeting of the board. The board of directors at such annual meeting, or at any subsequent regular or special meeting may also elect or appoint such other officers and assistant officers and agents as may be deemed necessary. Any two or more offices may be held by the same person, except the offices of president and secretary. All officers and assistant officers shall be elected to serve until the next annual meeting of directors (following the next annual meeting of shareholders) or until their successors are elected; provided, that any officer or assistant officer elected or appointed by the board of directors may be removed with or without cause at any regular or

special meeting of the board whenever in the judgment of the board of directors the best interests of the corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any agent appointed shall serve for such term, not longer than the next annual meeting of the board of directors, as shall be specified, subject to like right of removal by the board of directors.

2. VACANCIES

If any office becomes vacant for any reason, the vacancy may be filled by the board of directors.

3. POWER OF OFFICERS

Each officer shall have, subject to these by-laws, in addition to the duties and powers specifically set forth herein, such powers and duties as are commonly incident to his office and such duties and powers as the board of directors shall from time to time designate. All officers shall perform their duties subject to the directions and under the supervision of the board of directors. The president may secure the fidelity of any and all officers by bond or otherwise.

4. PRESIDENT

The president shall be the chief executive officer of the corporation. He shall preside at all meetings of the directors and shareholders. He shall see that all orders and resolutions of the board are carried out, subject however, to the right of the directors to delegate specific powers, except such as may be by statute exclusively conferred on the president, to any other officers of the corporation.

He or any vice-president shall execute bonds, mortgages and other instruments requiring a seal, in the name of the corporation, and, when authorized by the board, he or any vice-president may affix the seal to any instrument requiring the same, and the seal when so affixed shall be attested by the signature of either the secretary or an assistant secretary. He or any vice-president shall sign certificates of stock.

The President shall be ex-officio a member of all standing committees.

He shall submit a report of the operations of the corporation for the year to the directors at their meeting next preceding the annual meeting of the shareholders and to the shareholders at their annual meeting.

5. VICE-PRESIDENTS

The vice-president shall, in the absence or disability of the president, perform the duties and exercise the powers of the president, and they shall perform such other duties as the board of directors shall prescribe.

6. THE SECRETARY AND ASSISTANT SECRETARIES

The secretary shall attend all meeting of the board and all meetings of the shareholders and shall record all votes and the minutes of all proceedings and shall perform like duties for the standing committees when required. He shall give or cause to be given notice of all meetings of the shareholders and all meetings of the board of directors and shall perform such other duties as may be prescribed by the board. He shall keep in safe custody the seal of the corporation, and when authorized by the board, affix the same to any instrument requiring it, and when so affixed, it shall be attested by his signature or by the signature of an assistant secretary.

The assistant secretary shall, in the absence or disability of the secretary, perform the duties and exercise the powers of the secretary, and they shall perform such other duties as the board of directors shall prescribe.

In the absence of the secretary or an assistant secretary, the minutes of all meetings of the board and shareholders shall be recorded by such person as shall be designated by the president or by the board of directors.

7. THE TREASURER AND ASSISTANT TREASURERS

The treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the board of directors.

The treasurer shall disburse the funds of the corporation as may be ordered by the board of directors, taking proper vouchers for such disbursements. He shall keep and maintain the corporation's books of account and shall render to the president and directors an account of all of his transactions as treasurer and of the financial condition of the corporation and exhibit his books, records and accounts to the president or directors at any time. He shall disburse funds for capital expenditures as authorized by the board of directors and in accordance with the orders of

the president, and present to the president for his attention any request for disbursing funds if in the judgment of the treasurer any such request is not properly authorized. He shall perform such other duties as may be directed by the board of directors or by the president.

If required by the board of directors, he shall give the corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the board for the faithful performance of the duties of his office and for the restoration to the corporation, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the corporation.

The assistant treasurers in the order of their seniority shall, in the absence or disability of the treasurer, perform the duties and exercise the powers of the treasurer, and they shall perform such other duties as the board of directors shall prescribe.

ARTICLE V - CERTIFICATES OF STOCK: TRANSFER, ETC.

1. CERTIFICATES OF STOCK

The certificates for shares of stock of the corporation shall be numbered and shall be entered in the corporation as they are issued. They shall exhibit the holder's name and number of shares and shall be signed by the president or a vice-president and the secretary or an assistant secretary and shall be sealed with the seal of the corporation or a facsimile thereof. If the corporation has a transfer agent or a registrar, other than the corporation itself or an employee of the corporation, the signatures of any such officer may be facsimile. In case any officer or officers who shall have signed or whose facsimile signature or signatures shall have been used on any such certificate or certificates shall cease to be such officer or officers of the corporation, whether because of death, resignation or otherwise, before said certificate or certificates shall have been issued, such certificate may nevertheless be issued by the corporation with the same effect as though the person or persons who signed such certificates or whose facsimile signature or signatures shall have been used thereon had been such officer or officers at the date of its issuance. Certificates shall be in such form as shall in conformity to law be prescribed from time to time by the board of directors.

The corporation may appoint from time to time transfer agents and registrars, who shall perform their duties under the supervision of the secretary.

2. TRANSFER OF SHARES

Upon surrender to the corporation or the transfer agent of the corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment of authority to transfer, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, cancel the old certificate, and record the transaction upon its books.

3. REGISTERED SHAREHOLDERS

The corporation shall be entitled to treat the holder of record of any share or shares of stock as the holder in fact thereof and, accordingly shall not be bound to recognize any equitable or other claim to or interest in such share on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by law.

4. LOST CERTIFICATE

The board of directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate to be lost. When authorizing such issue of a new certificate or certificates, the board of directors in its discretion and as a condition precedent to the issuance thereof, may require the owner of such lost or destroyed certificate or certificates or his legal representative to advertise the same in such manner as it shall require or to give the corporation a bond with surety and in form satisfactory to the corporation (which bond shall also name the corporation's transfer agents and registrars, if any, as obligees) in such sum as it may direct as indemnity against any claim that may be made against the corporation or other obligees with respect to the certificate alleged to have been lost or destroyed, or to advertise and also give such bond.

ARTICLE VI - DIVIDEND

1. DECLARATION

The board of directors may declare at any annual, regular or special meeting of the board and the corporation may pay, dividends on the outstanding shares in cash, property or in the shares of the corporation to the extent permitted by, and subject to the provisions of, the laws of the State of Texas.

2. RESERVES

Before payment of any dividend there may be set aside out of any funds of the corporation available for dividends such sum or sums as the directors from time to time in their absolute discretion think proper as a reserve fund to meet contingencies or for equalizing dividends or for repairing or maintaining any property of the corporation or for such other purpose as the directors shall think conducive to the interest of the corporation, and the directors may abolish any such reserve in the manner in which it was created.

ARTICLE VII - MISCELLANEOUS

1. INFORMAL ACTION

Any action required to be taken or which may be taken at a meeting of the shareholders, directors or members of the executive committee, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the shareholders, directors, or members of the executive committee, as the case may be, entitled to vote with respect to the subject matter thereof, and such consent shall have the same force and effect as a unanimous vote of the shareholders, directors, or members of the executive committee, as the case may be, at a meeting of said body.

2. SEAL

The corporate seal shall be circular in form and shall contain the name of the corporation, the year of its incorporation and the words "TEXAS," and "CORPORATE SEAL" or an image of the Lone Star. The seal may be used by causing it or a facsimile to be impressed or affixed or in any other manner reproduced. The corporate seal may be altered by order of the board of directors at any time.

3. CHECKS

All checks or demands for money and notes of the corporation shall be signed by such officer or officers or such other person or persons as the board of directors may from time to time designate.

4. FISCAL YEAR

The fiscal year of the corporation shall begin on the 1st day of January, in each and every year.

5. DIRECTORS' ANNUAL STATEMENT

The board of directors shall present at each annual meeting of shareholders a full and clear statement of the business and condition of the corporation.

6. CLOSE CORPORATIONS: MANAGEMENT BY SHAREHOLDERS

If the articles of incorporation of the corporation and each certificate representing its issued and outstanding shares states that the business and affairs of the corporation shall be managed by the shareholders of the corporation rather than by a board of directors, then, whenever the context so requires the shareholders of the corporation shall be deemed the directors of the corporation for purposes of applying any provision of these by-laws.

7. AMENDMENTS

These by-laws may be altered, amended or repealed in whole or in part by the affirmative vote of the holders of a majority of the shares outstanding and entitled to vote, but such power may be delegated by the shareholders to the board of directors.



DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
08/05/2010	201021601257	TRADE NAME/ORIGINAL FILING (RNO)	50.00	.00	.00	.00	.00

Receipt

This is not a bill. Please do not remit payment.

SANTANNA ENERGY SERVICES
7701 SAN FELIPE BLVD
STE 200
AUSTIN, TX 78729

**STATE OF OHIO
CERTIFICATE**

Ohio Secretary of State, Jennifer Brunner

1952828

It is hereby certified that the Secretary of State of Ohio has custody of the business records for

SANTANNA ENERGY SERVICES

and, that said business records show the filing and recording of:

Document(s):

TRADE NAME/ORIGINAL FILING

Date of First Use: 06/01/2000
Expiration Date: 07/27/2015

Document No(s):

201021601257

SANTANNA NATURAL GAS
CORPORATION
7701 SAN FELIPE BLVD
STE 200
AUSTIN, TX 78729



United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the
Secretary of State at Columbus, Ohio
this 27th day of July, A.D. 2010.

Ohio Secretary of State



DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
08/05/2010	201021601256	FOREIGN LICENSE/FOR-PROFIT (FLF)	125.00	.00	.00	.00	.00

Receipt

This is not a bill. Please do not remit payment.

SANTANNA ENERGY SERVICES
7701 SAN FELIPE BLVD
STE 200
AUSTIN, TX 78729

**STATE OF OHIO
CERTIFICATE**

Ohio Secretary of State, Jennifer Brunner

1952851

It is hereby certified that the Secretary of State of Ohio has custody of the business records for

SANTANNA NATURAL GAS CORPORATION

and, that said business records show the filing and recording of:

Document(s):

FOREIGN LICENSE/FOR-PROFIT

Authorization to transact business in Ohio is hereby given, until surrender, expiration or cancellation of this license.

Document No(s):

201021601256



United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the
Secretary of State at Columbus, Ohio
this 27th day of July, A.D. 2010.

Ohio Secretary of State

Exhibit B-1 - Jurisdictions of Operation

At the date of filing, Santanna Natural Gas Corporation is certified, licensed, and registered in the following jurisdictions:

Illinois –

Licensed as an Alternative Gas Supplier (Certification of service Authority under Section 19-110 of the Public Utilities Act.)

Licensed as an Agent, Broker, & Consultant (ABC) (Under section 16-115C of the Public Utilities Act.)

Michigan –

Licensed as a Natural Gas Supplier (Pursuant to 2002 PA 634 (Act 634), MCL 460.9 et seq.)

Exhibit B-2 - Experience & Plans

Santanna Natural Gas Corporation is head quartered in Austin, Texas with offices in Hinsdale, Illinois and Southfield, Michigan. Santanna has been in business for over 22 years serving natural gas and electricity services to over 60000 residential, commercial and industrial customers in Illinois and Michigan.

Santanna plans to use mass marketing sales techniques to reach residential and commercial customers in Ohio to offer a quality product with premium customer service at a competitive price. Customers will be billed via the utility provided consolidated billing service.

Please see attached

- Santanna Marketing Quality Assurance Process
- Process of Handling Customer Complaints

Santanna Energy Services Marketing Quality Assurance Process

Santanna has a long-term commitment to strict policies and procedures for its representatives to follow when soliciting prospective residential, commercial and industrial customers on its behalf for its various "Choice" programs.

Santanna recognized that today's customers expect quality and professional experiences from the initial contact onwards. In early 2007, Santanna's executive team redesigned its existing operating procedures and put in place a more rigorous program, which is monitored and enforced throughout the process.

Santanna works with numerous marketing partners with hundreds of representatives. The Marketing Quality Assurance process begins with these partners. Each marketing partner/company is provided a script that describes the details of the program being offered to prospective customers. Santanna submits these scripts for review to utilities and regulating authorities. Each sales representative is required to use that script in the solicitation process. Santanna requires the marketing company to record all conversations between a prospect and a sales representative. This enables the subsequent recovery and monitoring of any communication, in case of any questionable interaction.

Santanna customer service representatives randomly "live" monitor a percentage of marketing calls to ensure the script is being adhered to and that all communication is carried out respectfully and professionally. Representatives not meeting the standards are terminated from the Santanna program. Those prospects who are not interested are added to an internal "do not solicit" list to avoid them being called further.

Prospects who do choose to participate in Santanna's program are connected to a Third Party Verification company (TPV), with their permission, to confirm their choice and verify their programs terms and conditions. A percentage of the verification tapes also are monitored for compliance to the scripts and the professional conduct of the TPV agents.

Customers are told during the sales presentation and again in the confirmation process that they have a minimum of 20 days to change their mind, without cost or penalty. Within about a week, customers receive a welcome letter from Santanna repeating the terms and conditions expressed in the original solicitation. This is the third opportunity for customers to voice their choice of participating, or not participating, in the program.

A 24-hour toll-free cancellation hot line is available for any customers wishing to change their minds. Santanna does not charge any customer a cancellation fee.

Process of Handling Agency/Internal Complaints
For Customer Service and Collections Departments

Overview

This process is applicable to both the Residential and Commercial accounts. The process begins when Santanna Energy Services (SES) receives a complaint from an Agency or Internal Complaint from a customer by phone, email, fax, or letter.

- **Illinois Commerce Commission (ICC), SES will receive it in our designated ICC Inbox in Microsoft Outlook. Customer Service Team Leader (TL) and Customer Service Administrative Assistant (CSAA) have access to email box.**
- **Better Business Bureau (BBB) SES will receive an email.**
- **The utility company, SES will receive an e-mail.**
- **Citizens Utility Board (CUB) SES will receive an email.**
- **The Attorney General (AG) SES will receive a letter through the mail or a fax.**
- **Michigan Public Service Commission (MPSC) SES will receive it in our designated MPSC Inbox in Microsoft Outlook. Customer Service Team Leader (TL) and Customer Service Administrative Assistant (CSAA) have access to email box. Once SES receives a complaint SES CSAA or TL (in absent of CSAA) will send an email to MPSC confirming we received a complaint. SES CSAA will send a courtesy status update by day 8 if the complaint remains unresolved.**

The CSAA will document the complaint into the complaint tracking log and forward it to the correct department's TL Customer Service or Collections.

Roberto Cruz
Santanna Energy Services
Customer Service Team Leader
Cruz@SES4Energy.com
630-789-6022 ext. 238

Dennise Hasan
Santanna Energy Services
Collection Team Leader
Hasan@SES4Energy.com
630-789-6022 ext. 253

Internal customer complaints are first addressed by a Customer Service representative and if not to the customer's satisfaction, they are escalated to the Team Leader, if the customer is still not satisfied, the ICC/MPSC telephone number is provided to log a complaint.

The Process

The TL then opens a complaint ticket in the appropriate SES ticket system (for RESI or C & I) copy and pastes or types into the problem area the complaint verbatim, including the ICC Complaint ID number found on the email, i.e. 2004-1234S. (S at the end denotes a complaint filed in their Springfield office and C denotes a complaint filed in their Chicago office.) The BBB Complaint Case number or the AG file number.

The TL then researches the complaint by following up with the customer and drafts a final resolution response to the customer and the agency. All agencies must have a response within 10 business days. The TL will forward it to the VP of Midwest Operations for final review and approval.

Doug Cueller
Santanna Energy Services
V.P. Midwest Operations & CMO
Cueller@SES4Energy.com
630-789-6022 ext. 230

The agency/internal complaint might be towards a Telemarketing Sales Representative (TSR). A follow up with the TSR and their supervisor should be done immediately. Depending on the magnitude of the complaint, the TSR will be retrained or terminated.

A SAMPLE RESPONSE TO AN AGENCY INQUIRY IS OUTLINED BELOW;

The customer elected enrollment into the SES program on m/dd/yy and started with our program on m/dd/yy. SES has multiple rigorous protections for the prospective customer built into the SES sales program from the start to the finish of the process. An unpleasant experience by a prospective customer results in an unpleasant experience for all involved. The telemarketing sales representatives (TSR) use a script prepared by SES that communicates the program details to the customer and defines their wishes relative to participation. In addition, SES randomly live monitors the TSR's to insure compliance. Then an independent Third Party Verification company (TPV) is utilized to verify that the terms and conditions were explained to the customer and the customer is electing the program with SES. The TPV rep uses a script prepared by SES, is recorded, and the verifications are monitored daily to confirm adherence to the script and the SES guidelines. To protect prospective customers from unwanted communications, SES updates its "Do Not Call" list with the telemarketers every other day.

After the verification, a new customer receives a welcome letter from SES, which repeats the terms and conditions of the agreement, and furnishes the customer a toll free 24 hour cancellation hot line number and advises them that they have 20 days from the time of verification before enrollment is initiated with the utility,

which is 17 days more than the required 3 day grace period, should a customer change their mind thereafter.

The TPV was reviewed and it demonstrates that Mr/Ms did indeed elect the program with SES as his/her gas provider. It is also note worthy that the TPV tape verifies that the TPV representative asked the customer if it was explained that the program is voluntary, and it was acknowledged. The voluntary nature of the program is also stated in the SES script provided to the TSR's. The TPV representative also asked the customer if it they are authorized to enroll the account in Choices For You Program/Customer Select Program and Mr/Ms stated yes.

The response to an agency should then indicate what transpired in the follow up call to the customer. Each complaint is different in that some agencies ask for a response to both them and the customer and some ask for response to the agency only. The method of responding to an agency might be different.

- **Utility company is usually done by email.**
- **ICC is done by email.**
- **CUB is done by email.**
- **The AG is done in written format by letter.**
- **The BBB encourages SES to use their ONLINE COMPLAINT system to respond to the complaint. If the complaint is sent by email they have a link that will take you directly to the complaint and you will be able to enter your response directly on their website. If the complaint is done by mail they provide a web site to send your reply to.**
- **MPSC is done by email.**

The final response must have everything the agency request, Customers Welcome Letter, Third Party Verification, Invoices, to the response and is pasted into the Resolution area of the ticket system by the Team Leader and the ticket is closed. The complaint, the resolution letter, or resolution email is scanned into the customer's digital folder by the CSAA under Documents. A potential customer folder will be created by CSAA to keep complaints and resolutions for potential customers that does not have an established account with SES.

Tracking Log

A report is maintained by CSAA and is sent to each of the Team Leaders for final review. It is then forwarded to the VP by the 5th of each month.

No abbreviations are to be used in the report such as SES. Spell out each agency name. No abbreviations such as cust when it should be customer. The log can be accessed in SES Portal in case the TL's need to see what complaints are pending. The update should only be completed by CSAA when they receive the resolution email.

Exhibit B-3 - Summary of Experience

Santanna Natural Gas Corporation has over 22 years of experience in the retail energy marketplace serving commercial and residential gas end users behind all major utility companies in the Illinois and Michigan. Santanna provides consolidated billing, energy and storage management, and risk mitigation services to its commercial and industrial customers, in addition to retailing natural gas commodity and brokering electric commodity. Santanna offers residential consumers an array of programs including competitive market priced programs, fixed price programs and residential gas storage programs.

Santanna's operations group is well experienced in the rules, practices and tariffs of all major gas and electric utilities in Illinois and Michigan. These personnel handle the purchasing, scheduling and nominations, inventory management, and billing/invoicing of nearly 10 Bcf annually to Santanna customers.

Exhibit B-4 – Disclosure of Liabilities and Investigation

Santanna Natural Gas Corporation attests that there are no 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.

Exhibit B-5 - Disclosure of Consumer Protection Violation

In May 2010, Santanna Natural Gas Corporation celebrated its 22nd anniversary of service to customers in the Midwest. Santanna currently serves over 60000 business and residential customers in Illinois and Michigan. At summer's end in 2005, Santanna's business was unexpectedly and seriously affected by Hurricane Katrina, which was shortly followed by Hurricane Rita. The adversity faced by our company that stemmed from the widespread damage to refinery operations and the disruption of natural gas supply are described below.

Economic disruption

When the hurricanes struck, Santanna Energy Services had been concluding a fixed price program that had been marketed to Illinois customers. Suddenly, energy prices more than doubled overnight. But even during the disaster-driven price environment, Santanna was still hedged to cover the majority of the volumes required to supply the fixed program.

Although the total fixed priced volumes only represented about 20% of Santanna's total daily deliveries, it happened that a minority volume, representing about 8% of Santanna's daily deliveries, was not hedged and was not manageable because of severe financial loss at such inflated price levels.

Santanna's response

Santanna reached out to the customers in this fixed price program and advised them that the company had no choice but to supply them at prevailing market prices until the crisis climate subsided. The company also offered to address any damages that they might have experienced as a result of this unfortunate occurrence.

During this time, Santanna was strategically advised to file for Chapter 11 protection under the federal bankruptcy code. This action was taken not for financial insolvency, but solely to invoke the automatic stay protection of the code to stabilize the contractual relationship with Santanna's primary gas supplier that was about to collapse. This contract needed to be maintained until such time as the supplier could be replaced.

On February 1, 2006, the original supplier was replaced and Santanna entered into a primary supplier relationship with Eagle Energy Partners, LLP (www.EagleEnergyPartners.com), a subsidiary of Electricité de France. The parent company provides energy and services to more than 38 million customers around the world. In addition, Santanna recently entered into a supply contract with Enterprise Products Partners L.P. (www.eprod.com) as a backup, in the case of possible supply disruptions that might occur if served by only one supplier.

Illinois Attorney General Decree

In 2006, Santanna received approval of its plan of reorganization from the courts and the Illinois Attorney General's office. Under this plan, all affected customers received full payment plus interest, and all damages claimed were paid under a plan covering 100% of the actual and projected damages to the end of the term of each customer's contract.

Santanna entered into a consent decree with the Illinois AG's office, which did not involve the payment of penalties by Santanna. In early 2007, Santanna had satisfied the requirements of the plan and exited Chapter 11. Santanna has satisfied all issues of the plan that created any financial liability to the company. Santanna has no outstanding requirements or demands under the plan.

Santanna continues to serve many of the affected customers today. We are in good standing with the Illinois Attorney General's office, the Illinois Commerce Commission and with all Santanna's utility partners to better serve our customers. Compliance with all existing regulations is Santanna's highest priority.

Risk Management

With the wisdom of hindsight, Santanna assigned risk management responsibilities at the executive level to the chief operating officer in 2006. Among many other risk-related items, he ensures that the financial and volumetric balances are monitored on a daily basis, and that a weekly volumetric/financial balance report is generated and distributed.

After the earlier problem with hedging, one of Santanna's risk management policies now is to maintain a hedged long position on supply in the selling of fixed price contracts. In so doing, Santanna takes the price risk (prices declining) of holding more gas contracts than we have sold, in order to avoid the price risk (prices increasing) scenario of having sold more contracts than we have gas hedged to cover. Risk management policies and standard operating procedures will be detailed to PUCO in this application.

Santanna recruited two industry veterans to act as advisors to the Board of Directors and outside directors. Both of these persons are experienced in risk management. Dave Wilson, for example, sits on the Board of Directors of a very large exploration and production company, and chairs their risk management committee. The Santanna board normally meets quarterly. Santanna continues to pursue an aggressive growth plan that was begun in January 2007 and currently is projected through 2015. The PUCO will be furnished a *pro forma* income statement and balance sheet through 2012.

Marketing and customer policies

Santanna has some of the most, if not *the* most rigorous customer protection policies and procedures of any marketing company in the Midwest today. We commit significant staff and financial resources to avoid negative experiences by customers, commissions, state regulators, and the utilities. Our goal is to diligently monitor and observe all the state compliance regulations that have been or are established.

Our mass market telemarketing and third party verification approach requires an elevated level of control over the entire process. As a certified Alternative Gas Supplier in Illinois, Santanna is subject to significant compliance requirements and proactive attention to these are built into our systems.

Long before the recent Illinois requirement of a time lag between verification of a sale and initiating the switching sequence with the utility, Santanna offered customers a 20-day grace period to minimize the inconvenience to the customer, the utility and to Santanna if customers changed their minds. Santanna does not charge a cancellation fee, regardless of the nature of the contract.

Santanna will continue to use mass marketing if licensed in Ohio. Cost-effective marketing to the residential market place is a financial imperative. The company has used this method successfully in the Illinois market and the Michigan. We propose to offer both fixed and index-priced programs to prospective customers, generally of one year in duration, with a two-year maximum. We would hope to have the right to offer the term options available from other alternative suppliers if it makes business sense to Santanna.

T.W. (Wayne) Gatlin
President & CEO
Santanna Energy Services
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512-346-2500, ext. 215
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Web: santannaenergyservices.com

Exhibit C-1 – Annual Reports

This Exhibit is not applicable as Santanna natural Gas Corporation is a privately held company.

Exhibit C-2 – SEC Filings

This Exhibit is not applicable as Santanna natural Gas Corporation is a privately held company and therefore not required to file with the SEC.

Exhibit C-3 – Financial Statements

Financial statements from the two most recent years for the applicant will be sent under separate cover to preserve confidentiality. These financial statements are confidential and proprietary. Therefore, we request that the Commission maintain the confidentiality of this information in accordance with the Motion for Protective Order submitted herewith pursuant to rule 4901:1-1-24 of the Ohio Administrative Code.

Exhibit C-4 – Financial Arrangements

Financial arrangements including Supplier contract, Letters of Credit, and License or Permit Bonds for the applicant will be sent under separate cover to preserve confidentiality. These arrangements are confidential and proprietary. Therefore, we request that the Commission maintain the confidentiality of this information in accordance with the Motion for Protective Order submitted herewith pursuant to rule 4901:1-1-24 of the Ohio Administrative Code.

Exhibit C-5 – Forecasted Financial Statements

Forecasted financial statements for the Applicant will be sent under separate cover to preserve confidentiality. These financial forecasts are confidential and proprietary. Therefore, we request that the Commission maintain the confidentiality of this information in accordance with the Motion for Protective Order submitted herewith pursuant to rule 4901:1-1-24 of the Ohio Administrative Code.

Exhibit C-6 & C-7 – Credit Ratings and Credit Report

Credit ratings and Credit report for the Applicant will be sent under separate cover to preserve confidentiality. These reports are confidential and proprietary. Therefore, we request that the Commission maintain the confidentiality of this information in accordance with the Motion for Protective Order submitted herewith pursuant to rule 4901:1-1-24 of the Ohio Administrative Code.

Exhibit C-8 –Bankruptcy Information

Santanna Natural Gas Corporation attests that there are no reorganizations, protections 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 other officer of the applicant in the current year or since applicant last filed for certification.

Exhibit C-9 – Merger Information

Santanna Natural Gas Corporation attests that there has been no 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.

Exhibit D-1 – Operations

Santanna Natural Gas Corporation's operations team has more than 30 years of combined experience in all aspects of delivery forecasting, scheduling, nomination, and inventory management. Santanna's operations team uses proprietary forecasting tools to identify future customer delivery and load requirements. Operations personnel work closely with Santanna's primary supplier to schedule and balance upstream/downstream deliveries at utility receipt points. Santanna provides an array of market priced and fixed price products to its customers. In addition, Santanna offers customers storage management and services risk management services. Santanna's operation team is responsible for inventory control and corporate risk management.

Risk Management Policy

1 Introduction

Santanna Energy Services recognizes that all organizations operate in an environment of uncertainty and no organization can eliminate all potential risks. Organizations that can identify and manage risks within an acceptable tolerance level are in the best position to accomplish their mission and achieve their goals and objectives.

Santanna Energy Services has adopted a traditional business model, based on sound and widely-used commercial practices, which in itself is a risk mitigation mechanism. The business model is based on the sale of physical gas to known end-users and may include the use of NYMEX futures contracts or physical (storage) hedges. In addition, Santanna operates with a separation of operations and with strong internal controls. Governance and oversight mechanisms provide safeguards, provided that the mechanisms are diligently executed.

2 Objectives of the Policy

The objectives of this Risk Management Policy are as follows:

- Provide the framework that guides Santanna's operations and internal controls, including policies that:
 - identify and communicate commercial activities that are approved, require further approval, or are prohibited;
 - govern transactional boundaries and limits for staff and management; and
 - Guide management/staff in making day to day decisions and assessing commercial opportunities.
- Provide the policies that define adequate governance for the effective management of risks and changes in these risks
- Provide clear controls that will mitigate risk exposure consistent with the risk tolerance of the Santanna Executive Management and Board of Directors.

3 Sources of Risk

The different exposures to Santanna can be classified into five general risk categories: customer acquisition/retention/attrition risk, credit and customer payment risk, operational risk, end user delivery (volume) risk and weather risk.

3.1 Customer Acquisition/Retention/Attrition Risks

Under the general category of customer acquisition/retention/attrition risk, Santanna recognizes that ongoing sales and marketing programs directly affect future delivery commitments, monthly base volumes and net revenue. In addition, dramatic changes in Santanna's public image may significantly affect Santanna's retention and attrition of customers.

3.2 Credit and Customer Payment Risk

As a commercial energy commodity seller, Santanna is exposed to credit risks. Credit risk faced by Santanna manifests itself in two general areas: (1) outright default in payment by customers, and (2) late payment by customers.

3.3 Operational Risk

Santanna Operational Risk is defined as the risk of direct or indirect loss resulting from inadequate or failed planning, internal processes, people, or systems. This is a risk inherent in any organization. Lack of comprehensive and generally accepted accounting practices and systems undermines an organization's ability to effectively monitor performance and execute value maximizing course corrections. Without viable automated systems, performance, accountability, and efficiencies cannot be attained and bottom-line results suffer.

3.4 End User Delivery (volume) Risk

End User Delivery risk represents the risk of not meeting customer contractual obligations and/or LDC balancing requirements. Delivery volume variances may occur due to inconsistencies between Santanna forecast models and LDC (forecast) delivery requirements OR changes in customer consumption profiles. If data required to reconcile inconsistencies is not available in a timely manner, then there is an increased risk of LDC penalties or delivering gas to satisfy customer requirements at an unfavorable price.

3.5 Weather Risk.

Recent catastrophic weather events underscore the necessity for adequate mitigation of Weather Risk. Weather risks include, but are not limited to events such as hurricanes, natural weather disasters, and abnormal summer (heat) and winter (cold/warm) weather. Weather risk typically manifests itself as significant commodity price volatility.

4 Oversight Responsibilities

Within Santanna, there are four levels of risk policy oversight responsibility: Accounting & Operations Managers; the Chief Risk Officer; the Santanna Executive Committee; and the Santanna Board of Directors.

Accounting & Operations Managers are responsible for daily tasks of associated with reporting, operational tolerances, and cash flow.

The Chief Risk Officer is responsible for overall compliance with policy, and reporting on the effectiveness of the risk management policies and controls.

Major responsibilities include:

- Daily monitoring of financial and volumetric risk tolerance,
- Generation and disbursement of reporting.
- A review of proposed new business opportunities with respect to their consistency with risk tolerance and compliance with risk management policy.

The Santanna Executive Committee is made of up the Santanna Chief Executive Officer, Chief Marketing Officer, and Chief Operating Officer. The Executive Committee monitors and reviews financial, marketing, and operational information to ensure that risk is within acceptable tolerances. The Executive Committee periodically reviews parameters that define acceptable tolerances.

The Santanna Board of Directors meets quarterly. Santanna recruited two industry veterans to act as advisors to the board of directors or outside directors. These advisors are both very strong in risk management, one of which heads the risk management committee for a Corporation many multiples larger than Santanna, where he also serves on the board of directors.

5 Risk Management Policies

5.1 Customer Acquisition/Retention/Attrition Risk Mitigation Policies

Santanna policies governing the sales and marketing portion of its business model provide risk control and mitigation features. Standardized customer contract terms and conditions, with clearly defined sales prices points and contract terms will be provided to all customers. A multi-tier sales validation process will be used, to ensure that customers are well educated and voluntarily choose Santanna as their energy provider. Customer Acquisition rates and retention/attrition rates will be monitored via standard reporting on a daily, weekly and monthly basis.

Santanna may offer fixed price full requirements contracts to smaller commercial or residential customers via mass marketing campaigns. Forecast requirements strips will be used to purchase forward contracts. Under the limits established by the Santanna Executive committee, appropriate forward contracts will be purchased prior to actual customer acquisition to minimize upside price risk.

5.2 Credit and Customer Payment Risk Mitigation Policies

Santanna maintains a proactive policy with regard to customer credit. Wherever reasonably possible, prospective customers will be evaluated for credit worthiness and utility payment history. In addition Santanna will maintain a regimented Standard Operating Procedure that defines customer notification of past due balances, customer contacts by payment collections specialist, and ultimately customer termination for non-payment.

5.3 Operational Risk Mitigation Policies

Organizational structure and separation of functions provides for effective risk operational control policy. Santanna will maintain a separation of accounting and gas operation functions with appropriate transactional logging and reporting functions. Santanna financials will be submitted to an independent accounting firm for review on an annual schedule. Essential standard operations procedures will document and reviewed on a regular basis.

5.4 End User Delivery (volume) and Weather Risk Mitigation Policies

Santanna policies to minimize the risk associated with end user delivery volume can generally be segmented by LDC and customer contract category.

5.4.1 Monthly Base Load (market/index based contracts):

Base load volumes will be determined for the front future month on or about the 20th day of the month. Base load volumes are determined by either by a Santanna forecasting model or are provided by LDCs. Base load volumes will be based upon normal/typical weather data – and a defined storage utilization (withdrawals or injections) profile. Monthly variations in weather (or consumption) are offset by customer owned storage. Santanna will not take positions in the market to satisfy monthly (indexed) base load requirements.

5.4.2 Swing or Daily Load Variations (market/index based contracts):

Occasionally, daily LDC delivery tolerances require swing gas purchases. Before swing gas is purchased, base load gas is reallocated among customer classes or LDCs to either eliminate or minimize swing gas purchases.

5.4.3 Fixed Volume, Fixed Price Contracts:

Santanna offers fixed volume, fixed price contracts to its larger commercial and industrial end users. A fixed price agreement – will not be executed/finalized until either a physical hedge (using Santanna owned storage) or a forward contract hedge for the strip has been purchased from Santanna's primary supplier. All offers are conditioned on covering the contract requirements. Contracts contain overage/underage clauses to allow Santanna effectively minimize Santanna's risk – in a situation where customer delivery requirements vary from contracted volumes.

5.4.4 Fixed Price Full Requirements Contracts:

Santanna offers fixed price full requirements contracts to its smaller commercial or residential customers via mass marketing campaigns. Santanna's customer consumption forecast models are used to calculate typical delivery profiles -- for prospective customer classes. These delivery profiles along with estimates of customer acquisition and attrition rates are used to establish a requirements strip. The forecast requirements strip will be used to purchase forward contracts. Options (both puts and calls) may also be purchased for winter months to minimize risk associated with over/under consumption. Requirements strips will be trued up on a monthly basis and short term storage may be used to balance delivery requirements month to month.

6 Risk Monitoring and Reporting

To support the Risk monitoring and oversight, the following reports will be provided:

- Month End and Year End Financial Statements
- Daily Inventory Report, showing un-invoiced Inventory and Inventory Cost Basis
- Monthly Purchased Weighted Average Cost of Gas
- Daily Aged Receivables report
- Daily/Weekly Collections report
- Weekly Risk Exposure report showing hedged volumes compared to commitments to sell – for fixed price customer contracts
- Weekly Operations Customer Count report
- Daily Customer Acquisition reports showing customer count, average customer size, and annual forecasted customer volumes
- Three Year Cash Flow Proformas
- Day ahead, Week Ahead, Month Ahead and Year Ahead Delivery Forecasts

Exhibit D-2 - Operations Expertise

GREGORY (GREG) F. RABAEY

Vice President-Information Systems, COO

Greg Rabaey holds a B.S. in Mathematics and Physics from Mankato State University, Mankato, MN and both a M.S. and Ph.D. in Physics from the University of Arizona.

After several years as a research scientist at the University of Arizona, Greg relocated to Central Texas to join a high-tech start-up company as a staff scientist. This company developed sophisticated nondestructive testing tools for the power generation, petrochemical and pulp/paper industries. After holding several positions with this company, including Manager of Physics and Software Systems, Greg joined Santanna Natural Gas Corporation in June of 1996.

Greg Rabaey has over 15 years experience of experience in the energy marketplace working with the rules, practices and tariffs of all major gas and electric utilities in Illinois and Michigan. In addition Greg Rabaey draws on his technical expertise in hardware and software system design, database management and data analysis. Data quality tools have been developed, single point data entry has been enforced, and electronic transmission and collection of data has been implemented. Greg Rabaey has developed or lead projects as diverse as Customer Service applications, Billing and Invoicing, Risk Management, and Contract Management.

Greg Rabaey oversees the daily operations of Santanna Energy Service's corporate office, staffed by 20 plus technically oriented professionals all engaged in work related to energy, i.e., gas and electricity.

DOUG CUELLER

Vice President Midwest Operations,-Chief Marketing Officer

Doug Cueller holds a M.B.A. in finance and management from Lewis University and a B.S. in accounting from the University of Illinois.

Doug Cueller has over 25 years of experience in the natural gas and electric industry in Illinois, included product development, customer service and broker relationships. Doug Cueller began his career at Nicor Gas as a division accountant and financial analyst. Over the course of his 5 years at Nicor Gas, Doug Cueller responsibilities included transportation analyst, assisted in the creation of deregulation policies, worked with the various brokers and pipelines, and worked with transportation billing for customers.

At Santanna, Doug Cueller was a key leader in the development of Santanna's marketing programs and energy products. In addition, Doug Cueller oversees the daily operations of Santanna's Hinsdale office. This office is staffed by over 50 professionals and non-professionals who provide customer service, sales, product development, and collections services. This staff interfaces with the 10's of thousands of gas and electric customers

that Santanna serves and or seeks to serve in Illinois. Doug Cueller has developed long term relationships and has frequently interactions with the staff of the major electric and gas utilities, and the staff of the Illinois Commerce Commission and Michigan Public Service Commission

Exhibit D-3 - Key Technical Personnel

Richard McDonald

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10 years experience

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